

SECURITIES AND EXCHANGE COMMISSION

FORM N-30D

Initial annual and semi-annual reports mailed to investment company shareholders pursuant to Rule 30e-1 (other than those required to be submitted as part of Form NCSR)

Filing Date: **1996-12-30** | Period of Report: **1996-10-31**
SEC Accession No. **0000740372-96-000019**

([HTML Version](#) on [secdatabase.com](#))

FILER

NEW YORK DAILY TAX FREE INCOME FUND INC

CIK: **740372** | IRS No.: **133211746** | State of Incorporation: **NY** | Fiscal Year End: **1031**
Type: **N-30D** | Act: **40** | File No.: **811-03955** | Film No.: **96687495**

Mailing Address
*C/O REICH & TANG
600 FIFTH AVENUE
NEW YORK NY 10020*

Business Address
*600 FIFTH AVE
NEW YORK NY 10020
2128305200*

Amount		Date	Yield	(Note 1)	Moody's & Poor's
Other Tax Exempt Investments (20.92%)					
<C>	<C>	<C>	<C>	<C>	<C> <C>
\$ 7,450,000	Averill Park, NY CSD(c)	05/08/97	3.70%	\$ 7,459,209	
4,500,000	Central Islip,UFSD TAN (Suffolk County) (c)	06/30/97	3.99	4,512,840	
2,950,000	Dutchess County, NY BAN - Series B (c)	02/28/97	3.09	2,953,251	
1,700,000	Dutchess County, NY BAN City of Beacon (c)	06/05/97	3.75	1,700,483	
5,000,000	Freeport, NY CSD (c)				
	LOC State Street Bank & Trust Co.	06/30/97	3.94	5,015,692	
3,000,000	NYC GO - Series B (c)				
	Escrowed in U.S. Treasury Securities	12/01/96	3.03	3,055,974	
1,115,000	New York Medical Care Finance Agency RB (Mental Health Services Facility) - Series A MBIA Insured	02/15/97	3.29	1,118,917	Aaa AAA
7,200,000	Rockland County, NY Sewer BAN (c)	03/07/97	3.18	7,209,147	
3,640,000	South Jefferson CSD (c) (Jefferson, Lewis & Oswego Counties, NY)	06/20/97	4.00	3,644,412	
10,000,000	Suffolk County, NY Brentwood UFSD TAN (c)	06/30/97	4.04	10,025,326	
1,140,000	Village of Limestone, Cattaraugus County, NY (c) Water System BAN	07/25/97	4.04	1,142,331	
8,130,000	Westchester County, NY GO - Series A	12/15/96	3.43	8,140,464	Aaa AAA
55,825,000	Total Other Tax Exempt Investments			55,978,046	

<CAPTION>
Other Variable Rate Demand Instruments (b) (64.98%)

<C>	<C>	<C>	<C>	<C>	<C>	<C>
\$ 5,000,000	Counties of Warren & Washington IDA IDRB (Griffith Micro Science Inc. Project) - Series 1994 LOC First National Bank of Chicago	12/01/14	3.70%	\$ 5,000,000		A1
3,000,000	Franklin County, NY IDA IDRB (Kes Chatauqua Project) LOC Bank of Tokyo - Mitsubishi Bank, Ltd.	07/01/21	3.55	3,000,000		A1
1,185,000	Glen Falls, NY IDA IDRB (Broad Street Plaza) LOC Fleet National Bank	12/01/06	3.55	1,185,000	P1	A1
1,000,000	Islip, NY IDA Brentwood (c) LOC Fleet National Bank	05/01/09	3.50	1,000,000		
1,580,000	Metropolitan Museum of Art (Dormitory Authority of New York) RB - Series 1993	07/01/15	3.45	1,580,000	VMIG-1	A1+
6,800,000	Metropolitan Transportation Authority - Series 1991A LOC Morgan Guaranty/BK of Tokyo/Mitsubishi Bk/ Sumitomo Bk/Industrial Bk of Japan/Natwest	07/01/21	3.50	6,800,000	VMIG-1	A1

</TABLE>

See Notes to Financial Statements.

=====
<TABLE>
<CAPTION>

Face Amount		Maturity Date	Yield	Value (Note 1)	Ratings (a)	
					Moody's	Standard & Poor's
Other Variable Rate Demand Instruments (b) (Continued)						
<C>	<C>	<C>	<C>	<C>	<C>	<C>
\$ 470,000	Monroe County, NY IDA IDRB (Brazil Merk Partnership) LOC Fleet National Bank	01/01/06	4.00%	\$ 470,000	P1	A1
1,000,000	Nassau County, Manhasset (c) LOC Bankers Trust Company	12/01/99	3.50	1,000,000		
1,000,000	New York City GO 1993 - Series E-3 LOC Morgan Guaranty Trust Company	08/01/23	3.65	1,000,000	VMIG-1	A1+
2,700,000	New York City Trust Cultural Resource RB (Jewish Museum) LOC Sumitomo Bank, Ltd.	12/01/21	3.65	2,700,000	VMIG-1	A1
2,300,000	New York City Trust Cultural Resource RB (Museum of Broadcasting) LOC Sumitomo Bank, Ltd.	05/01/14	3.55	2,300,000	VMIG-1	A1
5,100,000	New York City, NY - Subseries E-4 LOC State Street Bank & Trust Co.	08/01/21	3.65	5,100,000	VMIG-1	A1+
1,100,000	New York City, NY GO - Series B-5 MBIA Insured	08/15/22	3.50	1,100,000	VMIG-1	A1+
1,300,000	New York City, NY GO Bond - Series B FGIC Insured	10/01/22	3.65	1,300,000	VMIG-1	A1+

3,200,000	New York City, NY GO Bond - Series E-2 LOC Morgan Guaranty Trust Company	08/01/20	3.65	3,200,000	VMIG-1	A1+
1,000,000	New York City, NY GO Bond - Subseries E-5 LOC Morgan Guaranty Trust Company	08/01/19	3.65	1,000,000	VMIG-1	A1+
1,000,000	New York City, NY GO Bond - Subseries E-5 LOC Morgan Guaranty Trust Company	08/01/18	3.65	1,000,000	VMIG-1	A1+
2,000,000	New York City, NY HDC (East 17th St.) - Series A LOC Chase Manhattan Bank, N.A.	01/01/23	3.60	2,000,000		A1+
6,500,000	New York City, NY HDC (East 96th St.) - Series 1990A LOC Bank of Tokyo - Mitsubishi Bank, Ltd.	08/01/15	3.35	6,500,000	VMIG-1	
3,000,000	New York City, NY HDC (Upper Fifth Avenue Project) - Series 1989A LOC Bankers Trust Company	01/01/16	3.30	3,000,000	VMIG-1	
500,000	New York City, NY IDA (National Audubon Society) LOC Swiss Bank Corp.	12/01/14	3.45	500,000		A1+
11,100,000	New York City, NY IDA (Nippon Cargo Airlines Company) LOC Industrial Bank of Japan, Ltd.	11/01/15	4.15	11,100,000		A1+
1,100,000	New York City, NY IDA IDRB Japan Airlines Company LOC Morgan Guaranty Trust Company	11/01/15	3.85	1,100,000		A1+

</TABLE>

See Notes to Financial Statements.

NEW YORK DAILY TAX FREE INCOME FUND, INC.
STATEMENT OF NET ASSETS (CONTINUED)
OCTOBER 31, 1996
(UNAUDITED)

		Ratings (a)				
Face Amount		Maturity Date	Yield	Value (Note 1)	Moody's	Standard & Poor's
-----		----	-----	-----	-----	-----
Other Variable Rate Demand Instruments (b) (Continued)						
<C>	<C>	<C>	<C>	<C>	<C>	<C>
\$ 5,200,000	New York City, NY IDRB (Airport Project) - Series 1985 LOC Bayerische Landesbank Girozentrale	04/01/00	3.45%	\$ 5,200,000	P1	A1+
1,300,000	New York State Dormitory Authority RB LOC Wachovia Bank & Trust Co., N.A.	07/01/23	3.55	1,300,000	VMIG-1	
5,000,000	New York State Dormitory Authority RB (Oxford University Press) (c) LOC Landesbank Hessen	07/01/25	3.45	5,000,000		
4,200,000	New York State ERDA PCRB (Central Hudson Gas & Electric) - Series A LOC Morgan Guaranty Trust Company	11/01/20	3.25	4,200,000	P1	
2,000,000	New York State ERDA PCRB (Central Hudson Gas & Electric) - Series B LOC Deutsche Bank A.G.	11/01/20	3.35	2,000,000	P1	A1+
1,400,000	New York State ERDA PCRB (Niagara Mohawk Power Corp.) LOC Toronto-Dominion Bank	12/01/25	3.60	1,400,000	P1	
2,000,000	New York State ERDA PCRB (Niagara Mohawk Power Corp.) - Series 1988A LOC Morgan Guaranty Trust Company	12/01/23	3.70	2,000,000		A1+
9,450,000	New York State ERDA PCRB (Niagara Mohawk Power Corporation) - Series 1985C LOC Canadian Imperial Bank of Commerce	12/01/25	3.60	9,450,000	P1	
2,400,000	New York State ERDA PCRB (Niagara Mohawk Power Corporation) - Series 1987A (c) LOC Toronto-Dominion Bank	03/01/27	3.80	2,400,000		
10,700,000	New York State ERDA PCRB (Niagara Mohawk Power Corporation) - Series B LOC Toronto-Dominion Bank	12/01/26	3.70	10,700,000	P1	
2,700,000	New York State ERDA PCRB (Rochester Gas & Electric) - Series 1984 LOC The Bank of New York	10/01/14	3.50	2,700,000	P1	
505,000	New York State JDA	03/01/05	3.80	505,000	VMIG-1	
685,000	New York State JDA - Series D LOC Sumitomo Bank, Ltd.	03/01/99	3.60	685,000	VMIG-1	A1
800,000	New York State JDA - Series G LOC Sumitomo Bank, Ltd.	03/01/99	3.60	800,000	VMIG-1	A1
3,300,000	New York State JDA Special Purpose RB	03/01/02	3.80	3,300,000	VMIG-1	A1

</TABLE>

See Notes to Financial Statements.

<TABLE>
<CAPTION>

Face Amount		Maturity Date	Yield	Value (Note 1)	Ratings (a)	
					Moody's	Standard & Poor's
Other Variable Rate Demand Instruments (b) (Continued)						
<C>	<C>	<C>	<C>	<C>	<C>	<C>
\$ 12,400,000	New York State (LGAC) LOC Credit Suisse/Swiss Bank/Union Bank of Switzerland	04/01/22	3.45%	\$ 12,400,000	VMIG-1	A1+
4,900,000	New York State (LGAC) - Series E LOC Canadian Imperial Bank of Commerce	04/01/25	3.50	4,900,000	VMIG-1	A1+
4,900,000	New York State (LGAC) - Series G LOC National Westminster Bank PLC	04/01/25	3.40	4,900,000	VMIG-1	A1+
5,800,000	New York State (LGAC) RB - Series 1994B LOC Swiss Bank Corp.	04/01/23	3.40	5,800,000	VMIG-1	A1+
8,000,000	New York State Medical Care Facilities Financial Authority LOC Chase Manhattan Bank, N.A.	11/01/15	3.45	8,000,000	VMIG-1	
1,400,000	New York State Medical Care Pooled Equipment Authority - Series 1994A LOC Chase Manhattan Bank, N.A.	11/01/03	3.50	1,400,000	VMIG-1	
6,700,000	Oswego County, NY IDA PCRB (Philip Morris Companies Incorporated)	12/01/08	3.50	6,700,000	P1	A1
1,000,000	Port Authority of New York & New Jersey Special Obligation RB (Versatile Structure)	04/01/24	3.65	1,000,000	VMIG-1	A1+
500,000	Puerto Rico Industrial Medical & Environmental PCFA PCRB (Ana Mendez Foundation)	12/01/15	3.55	500,000		A1
500,000	LOC Bank of Tokyo - Mitsubishi Bank, Ltd. Southeast, NY IDA (1989 Unilock, NY)	11/01/97	3.75	500,000	P1	A1+
500,000	LOC First National Bank of Chicago Southeast, NY IDA (1989 Unilock, NY)	11/01/96	3.75	500,000	P1	A1+
500,000	LOC First National Bank of Chicago Southeast, NY IDA (1989 Unilock, NY)	11/01/98	3.75	500,000	P1	A1+
500,000	LOC First National Bank of Chicago Southeast, NY IDA (1989 Unilock, NY)	11/01/99	3.75	500,000	P1	A1+
500,000	LOC First National Bank of Chicago Southeast, NY IDA (1989 Unilock, NY)	11/01/00	3.75	500,000	P1	A1+
200,000	LOC First National Bank of Chicago Southeast, NY IDA (1989 Unilock, NY)	11/01/01	3.75	200,000	P1	A1+
7,000,000	Suffolk County, NY IDA (Nissequogue Cogen Partners) - Series 1993 LOC Toronto-Dominion Bank	12/15/23	3.55	7,000,000	VMIG-1	A1+
4,000,000	Suffolk County, NY Water Authority BAN	12/21/99	3.45	4,000,000	VMIG-1	
173,875,000	Total Other Variable Rate Demand Instruments			173,875,000		

</TABLE>

See Notes to Financial Statements.

NEW YORK DAILY TAX FREE INCOME FUND, INC.
STATEMENT OF NET ASSETS (CONTINUED)
OCTOBER 31, 1996
(UNAUDITED)

<TABLE>
<CAPTION>

Face Amount		Maturity Date	Yield	Value (Note 1)	Ratings (a)	
					Moody's	Standard & Poor's
Put Bonds (d) (4.57%)						
<C>	<C>	<C>	<C>	<C>	<C>	<C>
\$ 350,000	Fulton County, NY IDA (LCM Properties Realty Trust) (c) LOC The Bank of New York	06/15/97	3.95%	\$ 350,000		
5,000,000	New York State ERDA (Rochester Gas & Electric) LOC Credit Suisse	11/15/96	3.75	5,000,000	Aa2	
6,865,000	New York State ERDA PCRB (Long Island Lighting Co.)					

LOC Deutsche Bank A.G.	03/01/97	3.25	6,865,000	VMIG-1
12,215,000 Total Put Bonds			12,215,000	

<CAPTION>
Tax Exempt Commercial Paper (1.87%)

<C>	<C>	<C>	<C>	<C>	<C>
\$ 5,000,000	New York City, NY GO MBIA Insured	12/30/96	3.45%	\$ 5,000,000	VMIG-1 A1+
5,000,000	Total Tax Exempt Commercial Paper			5,000,000	

<CAPTION>
Variable Rate Demand Instruments - Participations (b) (3.29%)

<C>	<C>	<C>	<C>	<C>	<C>
\$ 193,348	Auburn, NY IDA IDRB (Bo-Mer Manufacturing Company Incorporated)				
285,000	LOC Chase Manhattan Bank, N.A. BSE Corporation Project	10/01/00	5.36	193,348	P1 A1
319,957	LOC Chase Manhattan Bank, N.A. Centennial Associates/W & H Stampings, Incorporated	07/01/01	5.36	285,000	P1 A1
275,863	LOC Chase Manhattan Bank, N.A. Datagraphic Incorporated	10/01/00	5.36	319,957	P1 A1
1,470,000	LOC Chase Manhattan Bank, N.A. Executive Square Business Park	10/01/98	5.36	275,863	P1 A1
224,137	LOC Chase Manhattan Bank, N.A. Faden Paper Supply Company	06/01/01	5.36	1,470,000	P1 A1
26,666	LOC Chase Manhattan Bank, N.A. Ferrara Brothers Building Materials Corporation - Series 1981	01/01/00	5.36	224,137	P1 A1
761,400	LOC Chase Manhattan Bank, N.A. GL II Associates	01/01/97	5.36	26,666	P1 A1
1,627,500	LOC Chase Manhattan Bank, N.A. Giaquinto Joint Venture	01/01/99	5.36	761,400	P1 A1
282,623	LOC Chase Manhattan Bank, N.A. I.G. Federal Electric Supply Corporation 1984	07/01/02	5.36	1,627,500	P1 A1
521,720	LOC Chase Manhattan Bank, N.A. Metro Seliger Industries, Incorporated 1984	11/01/99	5.36	282,623	P1 A1
	LOC Chase Manhattan Bank, N.A.	08/10/99	5.36	521,720	P1 A1

</TABLE>

See Notes to Financial Statements.

<TABLE>
<CAPTION>

Face Amount		Maturity Date	Yield	Value (Note 1)	Ratings (a) Standard Moody's & Poor's	
Variable Rate Demand Instruments - Participations (b) (Continued)						
<C>	<C>	<C>	<C>	<C>	<C>	<C>
\$ 203,440	Nassau County, NY IDA IDRB (Steven Klein/Normandie Metal Fabricators)					
213,304	LOC Chase Manhattan Bank, N.A. New York City, IDA IDRB (Precision Plating Incorporated)	11/01/99	5.36%	\$ 203,440	P1	A1
385,591	LOC Chase Manhattan Bank, N.A. New York City, NY (Seybert-Nicholas Printing Corporation/Kenner Printing)	09/01/00	5.36	213,304	P1	A1
155,555	LOC Chase Manhattan Bank, N.A. New York City, NY IDA IDRB (Abigail Press, Incorporated Project)	06/01/00	5.36	385,591	P1	A1
22,500	LOC Chase Manhattan Bank, N.A. New York City, NY IDA IDRB (Zaro's Bakeshop Incorporated)	02/01/99	5.36	155,555	P1	A1
192,750	LOC Chase Manhattan Bank, N.A. One Crouse Medical Plaza	11/01/96	5.36	22,500	P1	A1
1,105,000	LOC Chase Manhattan Bank, N.A. Penn-Plax Plastics, Nassau County	12/10/98	5.36	192,750	P1	A1
45,000	LOC Dai-Ichi Kangyo Bank, Ltd. Ram Realty Company Project	01/01/00	5.36	1,105,000	P1	A1
	LOC The Bank of New York	02/01/99	4.95	45,000	P1	A1

396,638	Texpak Incorporated Project LOC Chase Manhattan Bank, N.A.	01/01/01	5.36	396,638	P1	A1
89,305	Ulster County, NY IDA IDRB (Fin Pan Incorporated Project) LOC Chase Manhattan Bank, N.A.	11/01/99	5.36	89,305	P1	A1
8,797,297	Total Variable Rate Demand Instruments - Participations			8,797,297		

<CAPTION>
Variable Rate Demand Instruments - Private Placements (b) (3.55%)

<C>	<C>	<C>	<C>	<C>	<C>	<C>
\$ 573,635	Adirondack Transit Lines LOC Key Bank, N.A.	02/01/01	4.95%	\$ 573,635	P1	A1
6,500,000	Blazer Real Estate 1990 LOC Union Bank of Switzerland	09/01/21	5.36	6,500,000	P1	A1
270,750	J. Treffiletti & Sons LOC Key Bank, N.A.	09/01/00	4.95	270,750	P1	A1
900,000	Rockland County, NY IDA (Bendix Mouldings Incorporated Project) - Series 1985 (c) LOC Standard Chartered Bank	12/01/01	4.95	900,000		

</TABLE>

See Notes to Financial Statements.

NEW YORK DAILY TAX FREE INCOME FUND, INC.
STATEMENT OF NET ASSETS (CONTINUED)
OCTOBER 31, 1996
(UNAUDITED)

<TABLE>
<CAPTION>

Face Amount	Maturity Date	Yield	Value (Note 1)	Ratings (a)	
				Moody's	Standard & Poor's

Variable Rate Demand Instruments - Private Placements (b) (Continued)					
<C>	<C>	<C>	<C>	<C>	<C>
\$ 303,750	Troy Mall Associates - Series 1985B LOC Key Bank, N.A.	07/01/15	4.95%	\$ 303,750	P1 A1
948,750	Troy Mall Associates - Series 1985C LOC Key Bank, N.A.	04/01/16	4.95	948,750	P1 A1
9,496,885	Total Variable Rate Demand Instruments - Private Placements			9,496,885	

	Total Investments (99.18%) (Cost \$265,362,228+)			265,362,228	
	Cash and Other Assets, Net of Liabilities (0.82%)			2,203,289	
	Net Assets (100.00%)			\$267,565,517	

	Net asset value, offering and redemption price per share:				
	Class A shares, 267,559,456 shares outstanding (Note 3)			\$ 1.00	
	Class B shares, 8,315 shares outstanding (Note 3)			\$ 1.00	

+ Aggregate cost for federal income tax purposes is identical.					

</TABLE>
FOOTNOTES:
(a) The ratings noted for variable rate demand instruments are those of the bank whose letter of credit secures such instruments or the guarantor of the bond. P1 and A1+ are the highest ratings assigned for tax exempt commercial paper.
(b) Securities payable on demand at par including accrued interest (usually with seven days notice) and where indicated are unconditionally secured as to principal and interest by a bank letter of credit. The interest rates are adjustable and are based on bank prime rates or other interest rate adjustment indices. The rate shown is the rate in effect at the date of this statement.
(c) Securities that are not rated which the Fund's Board of Directors has determined to be of comparable quality to those rated securities in which the Fund invests.
(d) The maturity date indicated is the next put date.

<TABLE>
<CAPTION>
KEY:
<S> <C> <C> <C> <C>
BAN = Bond Anticipation Note LGAC = Local Government Assistance Corporation

CSD	=	Central School District	PCFA	=	Pollution Control Financial Authority
ERDA	=	Energy and Research Development Authority	PCRB	=	Pollution Control Revenue Bond
GO	=	Government Obligation	RAN	=	Revenue Anticipation Note
HDC	=	Housing Development Corporation	RB	=	Revenue Bond
IDA	=	Industrial Development Authority	TAN	=	Tax Anticipation Note
IDRB	=	Industrial Development Revenue Bond	UFSD	=	Unified School District
JDA	=	Job Development Authority			

</TABLE>

 See Notes to Financial Statements.

NEW YORK DAILY TAX FREE INCOME FUND, INC.
 STATEMENT OF OPERATIONS
 SIX MONTHS ENDED OCTOBER 31, 1996
 (UNAUDITED)

=====

INVESTMENT INCOME

<S>	<C>
Income:	
Interest.....	\$ 5,016,224

Expenses: (Note 2)	
Investment management fee.....	421,022
Administration fee.....	294,716
Shareholder servicing fee (Class A).....	280,681
Custodian expenses.....	10,699
Shareholder servicing and related shareholder expenses.....	100,274
Legal, compliance and filing fees.....	11,964
Audit and accounting.....	31,124
Directors' fees and expenses.....	7,500
Other expenses.....	6,541

Total expenses.....	1,164,521
Less: Expenses paid indirectly.....	(13,377)

Net expenses.....	1,151,144

Net investment income.....	3,865,080

</TABLE>
 <TABLE>
 <CAPTION>

REALIZED GAIN (LOSS) ON INVESTMENTS	<C>
<S>	
Net realized gain (loss) on investments.....	-0-

Increase in net assets from operations.....	\$ 3,865,080
	=====

</TABLE>

 See Notes to Financial Statements.

NEW YORK DAILY TAX FREE INCOME FUND, INC.
 STATEMENTS OF CHANGES IN NET ASSETS

=====

<TABLE>
 <CAPTION>

	Six Months Ended October 31, 1996 (Unaudited) -----	Year Ended April 30, 1996 -----
INCREASE (DECREASE) IN NET ASSETS		
<S>	<C>	<C>
Operations:		
Net investment income.....	\$ 3,865,080	\$ 8,266,259
Net realized gain (loss) on investments.....	--	--
	-----	-----
Increase in net assets from operations.....	3,865,080	8,266,259
Dividends to shareholders from net investment income		
Class A.....	(3,865,070) *	(8,266,259) *
Class B.....	(10) *	--
Capital share transactions (Note 3)		
Class A.....	(15,810,841)	28,946,430
Class B.....	8,315	--
	-----	-----
Total increase (decrease).....	(15,802,526)	28,946,430
Net assets:		
Beginning of period.....	283,368,043	254,421,613
	-----	-----
End of period.....	\$ 267,565,517	\$ 283,368,043
	=====	=====

* Designated as exempt-interest dividends for federal income tax purposes.

</TABLE>

See Notes to Financial Statements.

NEW YORK DAILY TAX FREE INCOME FUND, INC.
NOTES TO FINANCIAL STATEMENTS
(UNAUDITED)

=====

1. Summary of Accounting Policies

New York Daily Tax Free Income Fund, Inc. is a no-load, non-diversified, open-end management investment company registered under the Investment Company Act of 1940. The Fund is a short-term, tax exempt money market fund. The Fund has two classes of stock authorized, Class A and Class B. The Class A shares are subject to a service fee pursuant to the Distribution Plan. The Class B shares are not subject to a service fee. Additionally, the Fund may allocate among its classes certain expenses to the extent allowable to specific classes, including transfer agent fees, government registration fees, certain printing and postage costs, and administrative and legal expenses. Class specific expenses of the Fund were limited to distribution fees and minor transfer agent expenses. In all other respects, Class A and Class B shares represent the same interest in the income and assets of the Fund. Distribution of Class B shares commenced October 10, 1996. The Fund's financial statements are prepared in accordance with generally accepted accounting principles for investment companies as follows:

a) Valuation of Securities -

Investments are valued at amortized cost. Under this valuation method, a portfolio instrument is valued at cost and any discount or premium is amortized on a constant basis to the maturity of the instrument. The maturity of variable rate demand instruments is deemed to be the longer of the period required before the Fund is entitled to receive payment of the principal amount or the period remaining until the next interest rate adjustment.

b) Federal Income Taxes -

It is the Fund's policy to comply with the requirements of the Internal Revenue Code applicable to regulated investment companies and to distribute all of its tax exempt and taxable income to its shareholders. Therefore, no provision for federal income tax is required.

c) Dividends and Distributions -

Dividends from investment income (excluding capital gains and losses, if any, and amortization of market discount) are declared daily and paid monthly. Distributions of net capital gains, if any, realized on sales of investments are made after the close of the Fund's fiscal year, as declared by the Fund's Board of Directors.

d) Use of Estimates -

The preparation of financial statements in conformity with generally

accepted accounting principles requires management to make estimates and assumptions that effect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of increases and decreases in net assets from operations during the reporting period. Actual results could differ from those estimates.

e) General -

Securities transactions are recorded on a trade date basis. Interest income is accrued as earned. Realized gains and losses from securities transactions are recorded on the identified cost basis.

2. Investment Management Fees and Other Transactions with Affiliates

Under the Investment Management Contract, the Fund pays an investment management fee to Reich & Tang Asset Management L.P. (Manager), equal to .30% of the Fund's average daily net assets. The Manager is required to reimburse the Fund for its expenses (exclusive of interest, taxes, brokerage, and extraordinary expenses) to the extent that such expenses, including the investment management and the shareholder servicing and administration fees, for any fiscal year exceed the lesser of (i) 1 1/2% of the Fund's average net assets or (ii) the limits on investment company expenses prescribed by any state in which the Fund's shares are qualified for sale. No such reimbursement was required for the period ended October 31, 1996.

Pursuant to an Administrative Services Agreement, the Fund pays to the Manager an annual fee of .21% of the Fund's average daily net assets.

 NEW YORK DAILY TAX FREE INCOME FUND, INC.
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 (UNAUDITED)

2. Investment Management Fees and Other Transactions with Affiliates (Continued)

Pursuant to a Distribution Plan adopted under Securities and Exchange Commission Rule 12b-1, the Fund and Reich & Tang Distributors L.P. (the Distributor) have entered into a Distribution Agreement and a Shareholder Servicing Agreement, only with respect to the Class A shares of the Fund. For its services under the Shareholder Servicing Agreement, the Distributor receives from the Fund with respect only to the Class A shares, a fee equal to .20% of the Fund's average daily net assets. There were no additional expenses borne by the Fund pursuant to the Distribution Plan.

Included in the Statement of Operations under the caption "Shareholder servicing and related shareholder expenses" are fees of \$60,213 paid to Reich & Tang Services L.P., an affiliate of the Manager as servicing agent for the Fund. Included in the Statement of Operations under the captions "Custodian expenses" and "Shareholder servicing and related shareholder expenses" are expense offsets of \$13,377.

Fees are paid to Directors who are unaffiliated with the Manager on the basis of \$3,000 per annum plus \$500 per meeting attended.

3. Capital Stock

At October 31, 1996, 20,000,000,000 shares of \$.001 par value stock were authorized and capital paid in amounted to \$267,566,082. Transactions in capital stock, all at \$1.00 per share, were as follows:

<TABLE>
 <CAPTION>

	Six Months Ended October 31, 1996	Year Ended April 30, 1996
	-----	-----
Class A		
<S>	<C>	<C>
Sold	226,847,440	452,103,464
Issued on reinvestment of dividends.....	3,476,004	7,544,314
Redeemed.....	(246,134,285)	(430,701,348)
	-----	-----
Net increase (decrease).....	(15,810,841)	28,946,430
	=====	=====

<CAPTION>
 October 10, 1996
 (Commencement of Sales) to
 October 31, 1996

Class B

<S>	<C>	<C>
Sold.....	8,312	--
Issued on reinvestment of dividends.....	3	--
Redeemed.....	--	--
	-----	-----
Net increase (decrease).....	8,315	--
	=====	=====

</TABLE>
4. Sales of Securities

Accumulated undistributed realized losses at October 31, 1996 amounted to \$565. Such losses represent tax basis net capital losses which may be carried forward to offset future capital gains. Such losses expire April 30, 2002.

5. Concentration of Credit Risk
The Fund invests primarily in obligations of political subdivisions of the State of New York and, accordingly, is subject to the credit risk associated with the non-performance of such issuers. Approximately 72% of these investments are further secured, as to principal and interest, by letters of credit issued by financial institutions. The Fund maintains a policy of monitoring its exposure by reviewing the credit worthiness of the issuers, as well as that of the financial institutions issuing the letters of credit, and by limiting the amount of holdings with letters of credit from one financial institution.

=====
<TABLE>
<CAPTION>

6. Selected Financial Information

CLASS A -----	Six Months	Year Ended April 30,				
	Ended October 31, 1996	1996	1995	1994	1993	1992
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Per Share Operating Performance:						
(for a share outstanding throughout the period)						
Net asset value, beginning of period..	\$ 1.000	\$ 1.000	\$ 1.000	\$ 1.000	\$ 1.000	\$ 1.000
	-----	-----	-----	-----	-----	-----
Income from investment operations:						
Net investment income.....	0.014	0.030	0.027	0.018	0.023	0.037
Less distributions:						
Dividends from net investment income	(0.014)	(0.030)	(0.027)	(0.018)	(0.023)	(0.037)
	-----	-----	-----	-----	-----	-----
Net asset value, end of period.....	\$ 1.000	\$ 1.000	\$ 1.000	\$ 1.000	\$ 1.000	\$ 1.000
	=====	=====	=====	=====	=====	=====
Total Return.....	2.80%*	3.08%	2.74%	1.84%	2.28%	3.73%
Ratios/Supplemental Data						
Net assets, end of period (000).....	\$267,557	\$283,368	\$254,422	\$218,348	\$210,486	\$202,291
Ratios to average net assets:						
Expenses.....	0.83%* (a)	0.84%	0.87%	0.89%	0.89%	0.87%
Net investment income.....	2.75%*	3.02%	2.71%	1.82%	2.25%	3.63%

</TABLE>
<TABLE>
<CAPTION>

October 10, 1996
(Commencement of Sales) to
October 31, 1996

<S>	<C>
Per Share Operating Performance:	
(for a share outstanding throughout the period)	
Net asset value, beginning of period..	\$ 1.000

Income from investment operations:	
Net investment income.....	0.002
Less distributions:	
Dividends from net investment income	(0.002)

Net asset value, end of period.....	\$ 1.000
	=====

Total Return.....	3.12%*
Ratios/Supplemental Data	
Net assets, end of period (000).....	\$ 8
Ratios to average net assets:	
Expenses.....	0.61%* (a)
Net investment income.....	3.08%*

</TABLE>

* Annualized

(a) Includes expense offsets equivalent to 0.01% of average net assets.

This report is submitted for the general information of the shareholders of the Fund. It is not authorized for distribution to prospective investors in the Fund unless preceded or accompanied by an effective prospectus, which includes information regarding the Fund's objectives and policies, experience of its management, marketability of shares, and other information.

New York Daily Tax Free Income Fund, Inc.
600 Fifth Avenue
New York, New York 10020

Manager
Reich & Tang Asset Management L.P.
600 Fifth Avenue
New York, New York 10020

Custodian, Transfer Agent
& Dividend Disbursing Agent
Investors Fiduciary Trust Company
127 West 10th Street
Kansas City, Missouri 64105
