

FLAHERTY & CRUMRINE PREFERRED INCOME FUND INC  
Form N-PX  
August 17, 2005

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM N-PX

ANNUAL REPORT OF PROXY VOTING RECORD OF REGISTERED  
MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number 811-06179  
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FLAHERTY & CRUMRINE PREFERRED INCOME FUND INCORPORATED  
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(Exact name of registrant as specified in charter)

301 East Colorado Boulevard, Suite 720  
PASADENA, CA 91101  
-----

(Address of principal executive offices) (Zip code)

Donald F. Crumrine  
Flaherty & Crumrine Inc.  
301 East Colorado Boulevard, Suite 720  
PASADENA, CA 91101  
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(Name and address of agent for service)

Registrant's telephone number, including area code: 626-795-7300  
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Date of fiscal year end: NOVEMBER 30  
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Date of reporting period: JULY 1, 2004 - JUNE 30, 2005  
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Form N-PX is to be used by a registered management investment company, other than a small business investment company registered on Form N-5 (ss.ss. 239.24 and 274.5 of this chapter), to file reports with the Commission, not later than August 31 of each year, containing the registrant's proxy voting record for the most recent twelve-month period ended June 30, pursuant to section 30 of the Investment Company Act of 1940 and rule 30b1-4 there under (17 CFR 270.30b1-4). The Commission may use the information provided on Form N-PX in its regulatory, disclosure review, inspection, and policymaking roles.

A registrant is required to disclose the information specified by Form N-PX, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-PX unless the Form displays a currently valid Office of Management and Budget ("OMB") control number. Please direct comments concerning the accuracy of the information collection burden estimate and any suggestions for reducing the burden to the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW, Washington, DC 20549-0609. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. ss. 3507.

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PROXY VOTING RECORD  
FOR PERIOD JULY 1, 2004 TO JUNE 30, 2005

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549  
FORM N-PX

ANNUAL REPORT OF PROXY VOTING RECORD OF REGISTERED MANAGEMENT INVESTMENT COMPANY

Investment Company Act file number: 811 - 06179

Exact name of registrant as specified in charter: Flaherty & Crumrine Preferred

Address of principal executive offices 301 E. Colorado Boulevard, Suite 720

Name and address of agent for service: Donald F. Crumrine, Flaherty & Crumrine, 301 E. Colorado Boulevard, Suite 720, Denver, Colorado 80202

Registrant's telephone number, including area code: 626 - 795 - 7300

Date of fiscal year end: November 30, 2005

Date of reporting period: Twelve Months ended June 30, 2005

ITEM 1. PROXY VOTING RECORD

| NAME OF THE ISSUER | EXCHANGE TICKER SYMBOL | CUSIP     | SHA |
|--------------------|------------------------|-----------|-----|
| Duke Energy        | DUK                    | 264399106 |     |

| MATTER VOTED                                 | PROPOSED BY | VOTE CAST | VOTE FOR OR AGAINST PROPOSAL | V |
|--|-------------|-----------|------------------------------|---|
| Approve directors                            | Issuer      | Yes       | For                          |   |
| Amendments to eliminate board classification | Issuer      | Yes       | For                          |   |
| Ratify auditors                              | Issuer      | Yes       | For                          |   |

| NAME OF THE ISSUER | EXCHANGE TICKER SYMBOL | CUSIP     | SHA |
|--------------------|------------------------|-----------|-----|
| FPL Group Inc      | FPL                    | 302571104 |     |

| MATTER VOTED | PROPOSED BY | VOTE CAST | VOTE FOR OR AGAINST PROPOSAL | V |
|--------------|-------------|-----------|------------------------------|---|
|              |             |           |                              |   |

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|                   |        |     |     |
|-------------------|--------|-----|-----|
| Approve directors | Issuer | Yes | For |
| Ratify auditors   | Issuer | Yes | For |

FRIDAY, JULY 29, 2005

PAGE 1 OF 5

| NAME OF THE ISSUER         | EXCHANGE TICKER SYMBOL | CUSIP     | SHA |
|----------------------------|------------------------|-----------|-----|
| New York Community Bancorp | NYB                    | 649445103 |     |

| MATTER VOTED      | PROPOSED BY | VOTE CAST | VOTE FOR OR AGAINST PROPOSAL | V |
|-------------------|-------------|-----------|------------------------------|---|
| Approve directors | Issuer      | Yes       | For                          |   |
| Ratify auditors   | Issuer      | Yes       | For                          |   |

| NAME OF THE ISSUER         | EXCHANGE TICKER SYMBOL | CUSIP     | SHA |
|----------------------------|------------------------|-----------|-----|
| Southern California Edison | SCEDM                  | 842400202 |     |

| MATTER VOTED      | PROPOSED BY | VOTE CAST | VOTE FOR OR AGAINST PROPOSAL | V |
|-------------------|-------------|-----------|------------------------------|---|
| Approve directors | Issuer      | No (1)    | NA                           |   |

| NAME OF THE ISSUER | EXCHANGE TICKER SYMBOL | CUSIP     | SHA |
|--------------------|------------------------|-----------|-----|
| Wachovia           | WB                     | 92977V206 |     |

| MATTER VOTED      | PROPOSED BY | VOTE CAST | VOTE FOR OR AGAINST PROPOSAL | V |
|-------------------|-------------|-----------|------------------------------|---|
| Approve directors | Issuer      | No (1)    | NA                           |   |

FRIDAY, JULY 29, 2005

PAGE 2 OF 5

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| NAME OF THE ISSUER      | EXCHANGE TICKER SYMBOL | CUSIP     | SHA |
|-------------------------|------------------------|-----------|-----|
| Wisconsin Power & Light | WPL                    | 976826875 |     |

| MATTER VOTED      | PROPOSED BY | VOTE CAST | VOTE FOR OR AGAINST PROPOSAL | V |
|-------------------|-------------|-----------|------------------------------|---|
| Approve directors | Issuer      | No (1)    | NA                           |   |

| NAME OF THE ISSUER      | EXCHANGE TICKER SYMBOL | CUSIP     | SHA |
|-------------------------|------------------------|-----------|-----|
| Wisconsin Power & Light | WPL                    | 976826305 |     |

| MATTER VOTED      | PROPOSED BY | VOTE CAST | VOTE FOR OR AGAINST PROPOSAL | V |
|-------------------|-------------|-----------|------------------------------|---|
| Approve directors | Issuer      | No (1)    | NA                           |   |

| NAME OF THE ISSUER      | EXCHANGE TICKER SYMBOL | CUSIP     | SHA |
|-------------------------|------------------------|-----------|-----|
| Wisconsin Power & Light | WPL                    | 976826503 |     |

| MATTER VOTED      | PROPOSED BY | VOTE CAST | VOTE FOR OR AGAINST PROPOSAL | V |
|-------------------|-------------|-----------|------------------------------|---|
| Approve directors | Issuer      | No (1)    | NA                           |   |

FRIDAY, JULY 29, 2005

PAGE 3 OF 5

| NAME OF THE ISSUER | EXCHANGE TICKER SYMBOL | CUSIP     | SHA |
|--------------------|------------------------|-----------|-----|
| Xcel Energy Inc.   | XEL                    | 98389B704 |     |

| MATTER VOTED           | PROPOSED BY | VOTE CAST | VOTE FOR OR AGAINST PROPOSAL | V |
|------------------------|-------------|-----------|------------------------------|---|
| Approve directors      | Issuer      | Yes       | For                          |   |
| Omnibus incentive plan | Issuer      | Yes       | For                          |   |

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|                                 |        |     |     |
|---------------------------------|--------|-----|-----|
| Executive annual incentive plan | Issuer | Yes | For |
| Ratify auditors                 | Issuer | Yes | For |

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|                    |                        |       |     |
|--------------------|------------------------|-------|-----|
| NAME OF THE ISSUER | EXCHANGE TICKER SYMBOL | CUSIP | SHA |
|--------------------|------------------------|-------|-----|

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|                  |     |           |  |
|------------------|-----|-----------|--|
| Xcel Energy Inc. | XEL | 98389B605 |  |
|------------------|-----|-----------|--|

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| MATTER VOTED                    | PROPOSED BY | VOTE CAST | VOTE FOR OR AGAINST PROPOSAL | V |
|---------------------------------|-------------|-----------|------------------------------|---|
| Approve directors               | Issuer      | Yes       | For                          |   |
| Omnibus incentive plan          | Issuer      | Yes       | For                          |   |
| Executive annual incentive plan | Issuer      | Yes       | For                          |   |
| Ratify auditors                 | Issuer      | Yes       | For                          |   |

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|                    |                        |       |     |
|--------------------|------------------------|-------|-----|
| NAME OF THE ISSUER | EXCHANGE TICKER SYMBOL | CUSIP | SHA |
|--------------------|------------------------|-------|-----|

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|                  |     |           |  |
|------------------|-----|-----------|--|
| Xcel Energy Inc. | XEL | 98389B407 |  |
|------------------|-----|-----------|--|

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| MATTER VOTED                    | PROPOSED BY | VOTE CAST | VOTE FOR OR AGAINST PROPOSAL | V |
|---------------------------------|-------------|-----------|------------------------------|---|
| Approve directors               | Issuer      | Yes       | For                          |   |
| Omnibus incentive plan          | Issuer      | Yes       | For                          |   |
| Executive annual incentive plan | Issuer      | Yes       | For                          |   |
| Ratify auditors                 | Issuer      | Yes       | For                          |   |

FRIDAY, JULY 29, 2005

PAGE 4 OF 5

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|                    |                        |       |     |
|--------------------|------------------------|-------|-----|
| NAME OF THE ISSUER | EXCHANGE TICKER SYMBOL | CUSIP | SHA |
|--------------------|------------------------|-------|-----|

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|                  |     |           |  |
|------------------|-----|-----------|--|
| Xcel Energy Inc. | XEL | 98389B308 |  |
|------------------|-----|-----------|--|

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| MATTER VOTED      | PROPOSED BY | VOTE CAST | VOTE FOR OR AGAINST PROPOSAL | V |
|-------------------|-------------|-----------|------------------------------|---|
| Approve directors | Issuer      | Yes       | For                          |   |

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|                                 |        |     |     |
|---------------------------------|--------|-----|-----|
| Omnibus incentive plan          | Issuer | Yes | For |
| Executive annual incentive plan | Issuer | Yes | For |
| Ratify auditors                 | Issuer | Yes | For |

| NAME OF THE ISSUER | EXCHANGE TICKER SYMBOL | CUSIP     | SHA |
|--------------------|------------------------|-----------|-----|
| Xcel Energy Inc.   | XEL                    | 98389B506 |     |

| MATTER VOTED                    | PROPOSED BY | VOTE CAST | VOTE FOR OR AGAINST PROPOSAL | V |
|---------------------------------|-------------|-----------|------------------------------|---|
| Approve directors               | Issuer      | Yes       | For                          |   |
| Omnibus incentive plan          | Issuer      | Yes       | For                          |   |
| Executive annual incentive plan | Issuer      | Yes       | For                          |   |
| Ratify auditors                 | Issuer      | Yes       | For                          |   |

Notes: (1) Pursuant to its proxy voting policies, the registrant did not cast a vote since the securities in question were preferred or preference stocks of a company the common stock of which was controlled by the parent company and consequently, the election outcome was not in doubt.

FRIDAY, JULY 29, 2005

PAGE 5 OF 5

SIGNATURES

Pursuant to the requirements of the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.  
 Registrant Flaherty & Crumrine Preferred Income Fund Incorporated

By (Signature and Title)\* /s/ Donald F. Crumrine

-----  
 Donald F. Crumrine, Director, Chairman of the Board and  
 Chief Executive Officer  
 (Principal Executive Officer)

Date 7/22/05

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 \*Print the name and title of each signing officer under his or her signature.