

TRI-CONTINENTAL CORP  
Form N-Q  
November 29, 2006

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

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED  
MANAGEMENT INVESTMENT COMPANY

Investment Company Act file number 811-0266

Tri-Continental Corporation  
(Exact name of Registrant as specified in charter)

100 Park Avenue  
New York, New York 10017  
(Address of principal executive offices) (Zip code)

Lawrence P. Vogel  
100 Park Avenue  
New York, New York 10017  
(Name and address of agent for service)

Registrant's telephone number, including area code: (212) 850-1864

Date of fiscal year end: 12/31

Date of reporting period: 9/30/06

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## ITEM 1. SCHEDULE OF INVESTMENTS.

*Tri-Continental Corporation***Portfolio of Investments** (unaudited)

September 30, 2006

|  | Shares or<br>Warrants | Value         |
|--|-----------------------|---------------|
| <b>COMMON STOCKS</b>   |                       |               |
| <b>AND WARRANTS 83.2%</b>  |                       |               |
| <b>AEROSPACE AND</b>   |                       |               |
| <b>DEFENSE 2.7%</b>  |                       |               |
| Boeing Company (The)   | 326,900 shs.          | \$ 25,776,065 |
| General Dynamics Corporation   | 191,800               | 13,746,306    |
| Honeywell International Inc.   | 712,500               | 29,141,250    |
| Raytheon Company (Warrants)*<br>(exercise price of \$37.50,<br>expiring 6/16/2011) | 23,639 wts.           | 337,329       |
|  |                       | 69,000,950    |
| <b>AIR FREIGHT AND</b>   |                       |               |
| <b>LOGISTICS 0.6%</b>  |                       |               |
| FedEx Corp.  | 143,200 shs.          | 15,562,976    |
| <b>BEVERAGES 0.8%</b>  |                       |               |
| Coca-Cola Company (The)  | 220,200               | 9,838,536     |
| Coca-Cola Enterprises Inc.   | 562,400               | 11,714,792    |
|  |                       | 21,553,328    |
| <b>BIOTECHNOLOGY 2.9%</b>  |                       |               |
| Amgen Inc.*  | 400,500               | 28,647,765    |
| Genentech, Inc.*   | 224,000               | 18,524,800    |
| Pharmion Corporation*  | 1,222,425             | 26,343,259    |
|  |                       | 73,515,824    |
| <b>CAPITAL MARKETS 3.4%</b>  |                       |               |
| Bank of New York<br>Company, Inc. (The)  | 633,500               | 22,337,210    |
| Goldman Sachs<br>Group, Inc. (The)   | 66,600                | 11,266,722    |
| Legg Mason, Inc.   | 216,100               | 21,795,846    |
| Merrill Lynch & Co. Inc.   | 211,100               | 16,512,242    |
| Morgan Stanley   | 207,000               | 15,092,370    |
|  |                       | 87,004,390    |
| <b>CHEMICALS 0.8%</b>  |                       |               |
| E.I. Du Pont de Nemours<br>and Company   | 459,200               | 19,672,128    |

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**COMMERCIAL BANKS 1.7%**

|                       |         |            |
|-----------------------|---------|------------|
| Sun Trust Banks, Inc. | 286,900 | 22,171,632 |
| Wachovia Corporation  | 354,000 | 19,753,200 |
|                       |         | 41,924,832 |

**COMMERCIAL SERVICES  
AND SUPPLIES 0.8%**

|                       |         |            |
|-----------------------|---------|------------|
| Waste Management Inc. | 544,700 | 19,979,596 |
|-----------------------|---------|------------|

**COMMUNICATIONS**

**EQUIPMENT 5.1%**

|  |                 |             |
|--|-----------------|-------------|
| Cisco Systems, Inc.*   | 512,380         | 11,784,740  |
| Converse Technology, Inc.*   | 1,071,200       | 22,966,528  |
| Corning Incorporated*  | 944,149         | 23,046,677  |
| Lucent Technologies, Inc.*   | 4,229,400       | 9,896,796   |
| Lucent Technologies, Inc.<br>(exercise price of \$2.75,<br>expiring 12/10/2007)* | 11,626,025 wts. | 2,208,945   |
| Motorola, Inc.   | 499,600 shs.    | 12,490,000  |
| Nokia Corp. (ADR)  | 617,300         | 12,154,637  |
| QUALCOMM Inc.  | 983,300         | 35,742,955  |
|  |                 | 130,291,278 |

**COMPUTERS AND**

**PERIPHERALS 2.7%**

|  |           |            |
|--|-----------|------------|
| EMC Corporation*                               | 2,487,600 | 29,801,448 |
| International Business<br>Machines Corporation | 307,320   | 25,181,801 |
| Seagate Technology*                            | 537,800   | 12,417,802 |
|  |           | 67,401,051 |

**CONSUMER FINANCE 0.9%**

|                                      |         |            |
|--------------------------------------|---------|------------|
| Capital One<br>Financial Corporation | 296,300 | 23,306,958 |
|--------------------------------------|---------|------------|

**CONTAINERS AND**

**PACKAGING 1.2%**

|                                     |           |            |
|-------------------------------------|-----------|------------|
| Smurfit-Stone<br>Container Company* | 2,691,500 | 30,144,800 |
|-------------------------------------|-----------|------------|

**DIVERSIFIED FINANCIAL**

**SERVICES 5.0%**

|                             |           |             |
|-----------------------------|-----------|-------------|
| Bank of America Corporation | 532,040   | 28,501,383  |
| CIT Group Inc.              | 205,000   | 9,969,150   |
| Citigroup Inc.              | 1,244,230 | 61,800,904  |
| JPMorgan Chase & Co.        | 575,600   | 27,030,176  |
|                             |           | 127,301,613 |

**DIVERSIFIED**

**TELECOMMUNICATION**

**SERVICES 1.4%**

|                                    |           |            |
|------------------------------------|-----------|------------|
| Citizens Communications<br>Company | 1,071,000 | 15,036,840 |
| Verizon Communications Inc.        | 167,500   | 6,219,275  |
| Windstream Corporation             | 1,146,300 | 15,119,697 |

See footnotes on page 8.

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*Tri-Continental Corporation***Portfolio of Investments** (unaudited)

September 30, 2006

|  | Shares    | Value         |
|--|-----------|---------------|
| <b>ELECTRONIC EQUIPMENT<br/>AND INSTRUMENTS 0.5%</b> |           |               |
| Symbol Technologies, Inc.                            | 826,200   | \$ 12,277,332 |
| <b>ENERGY EQUIPMENT<br/>AND SERVICES 1.0%</b>        |           |               |
| Halliburton Company                                  | 375,400   | 10,680,130    |
| Tidewater Inc.                                       | 349,500   | 15,444,405    |
|  |           | 26,124,535    |
| <b>FOOD AND STAPLES<br/>RETAILING 2.0%</b>           |           |               |
| Rite Aid Corporation*                                | 2,761,300 | 12,536,302    |
| SUPERVALU INC.                                       | 440,200   | 13,051,930    |
| Wal-Mart Stores, Inc.                                | 515,220   | 25,410,650    |
|  |           | 50,998,882    |
| <b>HEALTH CARE EQUIPMENT<br/>AND SUPPLIES 1.9%</b>   |           |               |
| Bausch & Lomb Inc.                                   | 123,400   | 6,186,042     |
| Boston Scientific Corporation*                       | 1,492,600 | 22,075,554    |
| Medtronic, Inc.                                      | 402,900   | 18,710,676    |
|  |           | 46,972,272    |
| <b>HEALTH CARE PROVIDERS<br/>AND SERVICES 3.1%</b>   |           |               |
| Aetna Inc.   | 639,200   | 25,280,360    |
| UnitedHealth Group<br>Incorporated                   | 380,800   | 18,735,360    |
| WellPoint Inc.*                                      | 455,300   | 35,080,865    |
|  |           | 79,096,585    |
| <b>HOTELS, RESTAURANTS<br/>AND LEISURE 0.9%</b>      |           |               |
| Harrah's Entertainment, Inc.                         | 333,400   | 22,147,762    |
| <b>INDUSTRIAL<br/>CONGLOMERATES 4.4%</b>             |           |               |
| 3M Company   | 405,800   | 30,199,636    |
| General Electric Company                             | 2,304,150 | 81,336,495    |
|  |           | 111,536,131   |
| <b>INSURANCE 3.4%</b>                                |           |               |
| Allstate Corporation (The)                           | 124,200   | 7,791,066     |
| American International<br>Group, Inc.                | 642,300   | 42,558,798    |
| MetLife, Inc.  | 173,300   | 9,822,644     |
| UnumProvident Corporation                            | 489,300   | 9,487,527     |
| XL Capital Ltd. Class A                              | 243,800   | 16,749,059    |
|  |           | 86,409,094    |

**INTERNET SOFTWARE  
AND SERVICES 2.0%**

|                      |         |            |
|----------------------|---------|------------|
| Google Inc. Class A* | 61,900  | 24,877,610 |
| McAfee Inc.*         | 560,400 | 13,707,384 |
| Yahoo! Inc.*         | 491,000 | 12,412,480 |
|                      |         | 50,997,474 |

**MACHINERY 0.7%**

|                          |         |            |
|--------------------------|---------|------------|
| Illinois Tool Works Inc. | 399,160 | 17,922,284 |
|--------------------------|---------|------------|

**MEDIA 2.3%**

|                                       |           |            |
|---------------------------------------|-----------|------------|
| Clear Channel<br>Communications, Inc. | 411,800   | 11,880,430 |
| News Corp. Class A                    | 777,400   | 15,275,910 |
| Time Warner Inc.                      | 1,700,900 | 31,007,407 |
|                                       |           | 58,163,747 |

**METALS AND MINING 0.9%**

|  |         |            |
|--|---------|------------|
| Alcoa Inc.                                     | 447,600 | 12,550,704 |
| Freeport-McMoRan Copper<br>& Gold Inc. Class B | 177,500 | 9,453,650  |
|  |         | 22,004,354 |

**MULTI-UTILITIES 1.0%**

|                          |         |            |
|--------------------------|---------|------------|
| Dominion Resources, Inc. | 188,900 | 14,448,961 |
| DTE Energy Company       | 236,600 | 9,821,266  |
|                          |         | 24,270,227 |

**MULTILINE RETAIL 1.4%**

|                            |           |            |
|----------------------------|-----------|------------|
| Dollar General Corporation | 1,770,300 | 24,129,189 |
| Target Corp.               | 210,000   | 11,602,500 |
|                            |           | 35,731,689 |

**OIL, GAS AND****CONSUMABLE FUELS 6.6%**

|                         |         |             |
|-------------------------|---------|-------------|
| Chevron Corporation     | 599,000 | 38,851,140  |
| ConocoPhillips          | 512,200 | 30,491,266  |
| Exxon Mobil Corporation | 912,100 | 61,201,910  |
| Murphy Oil Corporation  | 373,525 | 17,761,114  |
| Sunoco, Inc.            | 304,200 | 18,918,198  |
|                         |         | 167,223,628 |

**PHARMACEUTICALS 4.9%**

|  |           |             |
|--|-----------|-------------|
| Forest Laboratories, Inc.*               | 351,600   | 17,794,476  |
| Johnson & Johnson                        | 150,607   | 9,780,419   |
| Lilly Eli & Company                      | 129,300   | 7,370,100   |
| Pfizer Inc.                              | 1,489,738 | 42,248,970  |
| Valeant Pharmaceuticals<br>International | 791,500   | 15,655,870  |
| Wyeth                                    | 611,800   | 31,103,912  |
|  |           | 123,953,747 |

See footnotes on page 8.



*Tri-Continental Corporation***Portfolio of Investments** (unaudited)

September 30, 2006

|  | Shares<br>or Shares<br>Subject to<br>Call/Put | Value        |
|--|---|--------------|
| <b>REAL ESTATE MANAGEMENT<br/>AND DEVELOPMENT 0.3%</b>         |   |              |
| Realogy Corporation*   | 283,050                                       | \$ 6,419,574 |
| <b>ROAD AND RAIL 0.1%</b>                                      |   |              |
| Avis Budget Group, Inc.*                                       | 113,220                                       | 2,070,794    |
| <b>SEMICONDUCTORS AND<br/>SEMICONDUCTOR<br/>EQUIPMENT 1.9%</b> |   |              |
| Broadcom Corporation Class [A]*                                | 426,000                                       | 12,924,840   |
| Marvell Technology Group Ltd.*                                 | 692,300                                       | 13,409,850   |
| Maxim Integrated Products, Inc.                                | 371,800                                       | 10,436,426   |
| Texas Instruments Incorporated                                 | 344,500                                       | 11,454,625   |
|  |   | 48,225,741   |
| <b>SOFTWARE 4.0%</b>   |   |              |
| Activision, Inc.*  | 573,000                                       | 8,652,300    |
| Business Objects S.A.*   | 434,700                                       | 14,818,923   |
| Cogent Inc.*   | 2,256,000                                     | 30,974,880   |
| Microsoft Corp.  | 1,697,956                                     | 46,405,137   |
|  |   | 100,851,240  |
| <b>SPECIALTY RETAIL 4.5%</b>                                   |   |              |
| Abercrombie & Fitch Co. Class A                                | 179,300                                       | 12,457,764   |
| Best Buy Co., Inc.   | 600,000                                       | 32,136,000   |
| Foot Locker, Inc.  | 801,600                                       | 20,240,400   |
| The Home Depot, Inc.   | 837,400                                       | 30,372,498   |
| Urban Outfitters, Inc.*  | 1,103,800                                     | 19,526,222   |
|  |   | 114,732,884  |
| <b>THRIFTS AND<br/>MORTGAGE FINANCE 1.1%</b>                   |   |              |
| Fannie Mae   | 244,100                                       | 13,647,631   |
| Freddie Mac  | 223,700                                       | 14,838,021   |
|  |   | 28,485,652   |
| <b>TOBACCO 2.7%</b>  |   |              |
| Altria Group, Inc.   | 904,580                                       | 69,245,599   |
| <b>WIRELESS<br/>TELECOMMUNICATION<br/>SERVICES 1.6%</b>        |   |              |
| American Tower Corporation<br>Class A*                         | 348,400                                       | 12,716,600   |
| Sprint Nextel Corporation                                      | 1,566,700                                     | 26,868,905   |
|  |   | 39,585,505   |



|  |        |                        |
|--|--------|------------------------|
| <b>TOTAL COMMON STOCKS<br/>AND WARRANTS</b>                              |        | 2,108,482,268          |
| <b>OPTIONS PURCHASED 2.8%<br/>BEVERAGES 0.1%</b>                         |        |                        |
| The Coca-Cola Company, Call<br>expiring January 2008 at \$15             | 4,636  | 3,106,120              |
| <b>BIOTECHNOLOGY 0.0%</b>  |        |                        |
| Pharmion Corporation, Call<br>expiring December 2006<br>at \$17.5        | 2,668  | 1,200,600              |
| <b>COMMUNICATIONS<br/>EQUIPMENT 0.3%</b>                                 |        |                        |
| Comverse Technology Inc., Call<br>expiring January 2008 at \$20          | 11,622 | 5,927,220              |
| Corning Incorporated, Call<br>expiring January 2007 at \$22.5            | 7,706  | 2,620,040<br>8,547,260 |
| <b>COMPUTERS AND<br/>PERIPHERALS 0.2%</b>                                |        |                        |
| Dell Inc., Call expiring<br>January 2008 at \$25                         | 13,002 | 3,705,570              |
| Seagate Technology, Call<br>expiring January 2007 at \$17.50             | 3,783  | 2,307,630<br>6,013,200 |
| <b>CONSUMER FINANCE 0.2%</b>   |        |                        |
| Capital One Financial Corporation,<br>Call expiring January 2008 at \$80 | 3,836  | 4,449,760              |
| <b>FOOD PRODUCTS 0.0%</b>  |        |                        |
| Kraft Foods Inc., Put<br>expiring March 2007 at \$30                     | 2,694  | 107,760                |
| <b>HEALTH CARE EQUIPMENT<br/>AND SUPPLIES 0.4%</b>                       |        |                        |
| Bausch & Lomb Inc., Call<br>expiring January 2008 at \$50                | 3,365  | 2,877,075              |
| Boston Scientific Corporation, Call<br>expiring January 2009 at \$20     | 10,746 | 2,417,850              |
| St. Jude Medical Inc. Call,<br>expiring January 2008 at \$35             | 5,647  | 3,585,845<br>8,880,770 |
| <b>INDUSTRIAL<br/>CONGLOMERATES 0.0%</b>                                 |        |                        |
| 3M Company, Call<br>expiring January 2009 at \$80                        | 446    | 374,640                |

See footnotes on page 8.

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*Tri-Continental Corporation***Portfolio of Investments** (unaudited)

September 30, 2006

|  | Shares Subject to<br>Call/Put, Partnership<br>Interest or Principal<br>Amount | Value                   |
|--|---|-------------------------|
| <b>INTERNET SOFTWARE<br/>AND SERVICES 0.2%</b>                           |   |                         |
| eBay Inc., Call<br>expiring January 2008 at \$30                         | 4,969 shs. \$   | 2,484,500               |
| Yahoo!, Inc., Call<br>expiring January 2009 at \$30                      | 4,910   | 2,307,700<br>4,792,200  |
| <b>MULTILINE RETAIL 0.1%</b>   |   |                         |
| Dollar General Corp. Call<br>expiring January 2008 at \$15               | 18,249  | 2,828,595               |
| <b>OIL, GAS AND<br/>CONSUMABLE FUELS 0.0%</b>                            |   |                         |
| Murphy Oil Corporation, Call<br>expiring January 2008 at \$50            | 1,895   | 1,174,900               |
| <b>PHARMACEUTICALS 0.1%</b>  |   |                         |
| Bristol-Myers Squibb Company, Call<br>expiring January 2008 at \$20      | 2,638   | 1,424,520               |
| <b>SEMICONDUCTORS AND SEMICONDUCTOR<br/>EQUIPMENT 0.1%</b>               |   |                         |
| Marvell Technology Group, Ltd.,<br>Call expiring January 2009<br>at \$20 | 5,331   | 3,518,460               |
| <b>SOFTWARE 0.5%</b>   |   |                         |
| Activision, Inc., Call<br>expiring January 2008 at \$15                  | 15,812  | 5,455,140               |
| Cogent, Inc., Call<br>expiring December 2006 at \$15                     | 13,974  | 1,607,010               |
| Cogent, Inc., Call<br>expiring March 2007 at \$12.5                      | 12,611  | 3,783,300<br>10,845,450 |
| <b>TOBACCO 0.5%</b>  |   |                         |
| Altria Group Inc., Call<br>expiring January 2008 at \$85                 | 12,180  | 4,993,800               |
| Altria Group Inc., Call<br>expiring January 2008 at \$80                 | 8,116   | 4,707,280               |
| Altria Group Inc., Call<br>expiring January 2008 at \$75                 | 3,148   | 2,612,840<br>12,313,920 |

**WIRELESS****TELECOMMUNICATION****SERVICES 0.1%**Sprint Nextel Corporation, Call  
expiring January 2009 at \$20

10,357

2,433,895

**TOTAL OPTIONS PURCHASED**

72,012,050

**TRI-CONTINENTAL****FINANCIAL****DIVISION 0.1%**WCAS Capital Partners II,  
L.P.

\$4,301,124

1,801,926

Whitney Subordinated  
Debt Fund, L.P.

1,214,850

19,478

**TOTAL TRI-CONTINENTAL****FINANCIAL DIVISION**

1,821,404

**SHORT-TERM****HOLDINGS 12.4%****CORPORATE NOTES 3.9%**

Goldman Sachs Group (The):

13%, 12/20/06 (1)

12,130,000

11,917,604

8.25%, 7/27/07 (2)

11,675,060

11,780,077

13.75%, 8/2/07 (3)

17,999,490

19,161,148

9.8%, 9/27/07 (4)

12,009,268

12,175,883

Merrill Lynch &amp; Co., Inc.

13.6%, 3/27/07 (5)

12,012,477

12,350,809

Morgan Stanley:

10.6%, 3/27/07 (6)

12,014,087

12,604,085

10.25%, 8/25/07 (6)

19,194,138

19,674,588

99,664,194

**TIME DEPOSITS 7.7%**

Bank of Montreal,

5.3125%, 10/2/06

94,583,000

94,583,000

Royal Bank of Scotland,

5.34%, 10/2/06

100,000,000

100,000,000

194,583,000

**US TREASURY NOTES 0.8%**

US Treasury Notes

2.875%, 11/30/06

20,895,000#

20,831,354

**TOTAL SHORT-TERM****HOLDINGS**

315,078,548

See footnotes on page 8.

# Tri-Continental Corporation

## Portfolio of Investments (unaudited)

September 30, 2006

|                          | Value            |
|--------------------------|------------------|
| <b>TOTAL</b>             |                  |
| <b>INVESTMENTS 98.5%</b> | \$ 2,497,394,270 |
| <b>OTHER ASSETS LESS</b> |                  |
| <b>LIABILITIES 1.5%</b>  | 38,662,342       |
| <b>NET INVESTMENT</b>    |                  |
| <b>ASSETS 100.0%</b>     | \$ 2,536,056,612 |

## Schedule of Options Written (unaudited)

September 30, 2006

|  | Shares<br>Subject to<br>Call/Put | Value        |
|--|----------------------------------|--------------|
| <b>PUT OPTIONS WRITTEN</b>                                     |                                  |              |
| Hewlett-Packard Company,<br>expiring November 2006<br>at \$35  | 540,500 shs.                     | \$ (513,475) |
| Foot Locker Inc., expiring<br>November 2006 at \$25            | 93,400                           | (126,090)    |
| <b>TOTAL OPTIONS WRITTEN</b><br>(Premium received \$1,059,254) |                                  | \$ (639,565) |

The cost of investments for federal income tax purposes was \$2,565,556,820.

The tax basis gross unrealized appreciation and depreciation of portfolio securities were \$41,304,043 and \$109,466,593, respectively.

\* Non-income producing security.

□ At September 30, 2006, the Tri-Continental Financial Division comprised two investments that were purchased through private offerings and cannot be sold without prior registration under the Securities Act of 1933 or pursuant to an exemption therefrom. These investments are valued at fair value as determined in accordance with procedures approved by the Board of Directors of the Corporation. The acquisition dates of investments in the limited partnerships, along with their cost and values at September 30, 2006, were as follows:

| Investments                          | Acquisition Date(s) | Cost         | Value        |
|--------------------------------------|---------------------|--------------|--------------|
| WCAS Capital Partners II, L.P.       | 12/11/90 to 3/24/98 | \$ 4,301,124 | \$ 1,801,926 |
| Whitney Subordinated Debt Fund, L.P. | 7/12/89 to 11/10/98 | 1,214,850    | 19,478       |
|                                      |                     | \$ 5,515,974 | \$ 1,821,404 |

□□ The security may be offered and sold only to a □qualified institutional buyer□ under Rule 144A of the Securities Act of 1933.

- (1) These notes are exchangeable at maturity for the value of the common stock of five companies in the home building industry. The maturity value of each stock is limited to 115% of the stock's price at the date of purchase of the notes.
- (2) These notes are exchangeable at maturity for the value of the common stock of Yahoo! (Internet Software and Services). The maturity value of the stock is limited to 120% of the stock's price at the date of purchase of the notes.
- (3) These notes are exchangeable at maturity for the value of the common stock of Marvell Technology Group (Semiconductors and Semiconductor Equipment). The maturity value of the stock is limited to 120% of the stock's price at the date of purchase of the notes.
- (4) These notes are exchangeable at maturity for the value of the common stock of Seagate Technology (Computers and Peripherals). The maturity value of the stock is limited to 120% of the stock's price at the date of purchase of the notes.
- (5) These notes are exchangeable at maturity for the value of the common stock of Peabody Energy (Oil, Gas and Consumable Fuels). The maturity value of the stock is limited to 120% of the stock's price at the date of purchase of the notes.
- (6) These notes are exchangeable at maturity for the value of the common stock of eBay (Internet Software and Services). The maturity value of the stock is limited to 120% of the stock's price at the date of purchase of the notes.

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# All or part of the security is held as collateral for options written. As of September 30, 2006, the value of securities held as collateral was \$20,831,354.

ADR □ American Depositary Receipt.

Security Valuation □ Securities traded on an exchange are valued at the last sales price on the primary exchange or market on which they are traded. Fixed income securities not listed on an exchange or security market are valued by independent pricing services based on bid prices which consider such factors as coupons, maturities, credit ratings, liquidity, specific terms and features, and the US Treasury yield curve or are valued by J. & W. Seligman & Co. Incorporated (the "Manager") based on quotations provided by primary market makers in such securities. Equity securities not listed on an exchange or security market, or equity securities for which there is no last sales price, are valued at the mean of the most recent bid and asked prices or are valued by the Manager based on quotations provided by primary market makers in such securities. Securities for which market quotations are not readily available (or are otherwise no longer valid or reliable) are valued at fair value determined in accordance with procedures approved by the Board of Directors. This can occur in the event of, among other things, natural disasters, acts of terrorism, market disruptions, intra-day trading halts, and extreme market volatility. The determination of fair value involves subjective judgments. As a result, using fair value to price a security may result in a price materially different from the prices used by other mutual funds to determine net asset value or the price that may be realized upon the actual sale of the security. Short-term holdings maturing in more than 60 days are valued at current market quotations. Short-term holdings maturing in 60 days or less are valued at amortized cost.

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ITEM 2. CONTROLS AND PROCEDURES.

- a. The registrant's principal executive officer and principal financial officer have concluded, based upon their evaluation of the registrant's disclosure controls and procedures as conducted within 90 days of the filing date of this report, that these disclosure controls and procedures provide reasonable assurance that material information required to be disclosed by the registrant in the report it files or submits on Form N-Q is recorded, processed, summarized and reported, within the time periods specified in the Commission's rules and forms and that such material information is accumulated and communicated to the registrant's management, including its principal executive officer and principal financial officer, as appropriate, in order to allow timely decisions regarding required disclosure.
- b. The registrant's principal executive officer and principal financial officer are aware of no changes in the registrant's internal control over financial reporting that occurred during the registrant's last fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

ITEM 3. EXHIBITS.

- (a) Certifications of principal executive officer and principal financial officer as required by Rule 30a-2(a) under the Investment Company Act of 1940.
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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934 and 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.

TRI-CONTINENTAL CORPORATION

By: /S/ BRIAN T. ZINO  
Brian T. Zino  
President and Chief Executive Officer

Date: November 27, 2006

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant in the capacities and on the dates indicated.

By: /S/ BRIAN T. ZINO  
Brian T. Zino  
President and Chief Executive Officer

Date: November 27, 2006

By: /S/ LAWRENCE P. VOGEL  
Lawrence P. Vogel  
Vice President, Treasurer and Chief Financial  
Officer

Date: November 27, 2006

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TRI-CONTINENTAL CORPORATION

EXHIBIT INDEX

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