

Incoming Letter:

January 31, 2006

George B. Raine
(617) 951-7556
george.raine@ropesgray.com

BY HAND

U.S. Securities and Exchange Commission
Division of Investment Management
100 F. Street, N.E.
Washington, DC 20549
Attention: Office of Chief Counsel

Re: Putnam Premier Income Trust
Commission File Number 811-05452
Intention to Omit the Shareholder Proposal of Frank H. Goodson

Ladies and Gentlemen:

We are writing as counsel to Putnam Premier Income Trust (the "Trust") pursuant to Rule 14a-8(j) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"). The Trust hereby notifies the U.S. Securities and Exchange Commission (the "Commission") of its intention to exclude from its proxy statement and form of proxy (the "Proxy Materials") for the Trust's 2006 Annual Meeting of Shareholders the shareholder proposal (the "Shareholder Proposal") submitted to the Trust by Mr. Frank H. Goodson, on the grounds that (i) the Trust lacks the power or authority to implement the Shareholder Proposal as drafted, pursuant to Rule 14a-8(i)(6) under the Exchange Act, and (ii) the Shareholder Proposal is potentially misleading under Rule 14a-9(a) under the Exchange Act. Pursuant to Rule 14a-8(j) under the Exchange Act, the Trust will file its definitive Proxy Materials with the Commission no earlier than April 21, 2006.

The Shareholder Proposal states, in its entirety, as follows: "Proposal Submitted by a Shareholder to reduce the Board of Trustees by one third (Life time savings to shareholders of Putnam is Approx: \$922,000)." No separate supporting statement was submitted by Mr. Goodson. A copy of Mr. Goodson's correspondence with the Trust with regard to the Shareholder Proposal is copied as Exhibit A hereto.

Rule 14a-8(i)(6) provides that a company may exclude a shareholder proposal from its proxy materials if the company would lack the power or authority to implement the proposal.

The text of the Shareholder Proposal appears to seek a shareholder vote on the amount of “Life time savings to shareholders of Putnam,” which is an economic prediction and therefore not the type of action that can feasibly or appropriately be effected through a vote of shareholders. Because the Trust’s agreement and declaration of trust provides for shareholders to fix annually the number of trustees, however, the Trust notes that the Shareholder Proposal would otherwise be appropriate for shareholder action if it did not include the current reference to cost savings.

Rule 14a-9 prohibits the inclusion within proxy materials of statements that are false or misleading with respect to a material fact and the omission from proxy materials of material facts necessary to make statements made therein not false or misleading. Rule 14a-8(i)(3) under the Exchange Act permits the omission from a proxy statement of a proposal or supporting statement which violates any of the Commission’s proxy rules, including Rule 14a-9. The staff (the “Staff”) of the Commission has indicated that a proposal or supporting statement that contains material inaccuracies and omissions, or that is otherwise vague, indefinite or incomprehensible, may be excluded pursuant to Rule 14a-8(i)(3). *See, e.g., Archer-Daniel-Midland Co.*, SEC No-Action Letter (July 10, 1998); *The New Germany Fund, Inc.*, SEC No-Action Letter (May 8, 1998); *The Spain Fund, Inc.*, SEC No-Action Letter (May 8, 1998); *Ford Motor Co.*, SEC No-Action Letter (February 26, 1980).

Mr. Goodson’s parenthetical calculation of cost savings is factually incorrect and/or misleading under Rule 14a-9. It is unclear how Mr. Goodson arrived at this figure, and he provides no basis to support his calculation. Based on the \$56,350 in trustees’ fees and expenses paid by the Trust over its fiscal year ended July 31, 2005, even assuming a full one-third reduction in this amount would require just over 49 years to reach the \$922,000 savings he cites. Because the parenthetical in the Shareholder Proposal is vague and indefinite with respect to the basis for its calculation, shareholders could reasonably interpret the term “Life time savings” to assume a significantly shorter timeframe, such as the “life of fund” calculations used in the Trust’s shareholder reports, which are measured from 1988, fewer than 18 years ago. Such an interpretation would significantly overstate the potential per annum economic effects of adopting the Shareholder Proposal. In this regard, Mr. Goodson’s cost savings estimate is potentially confusing and should be excluded pursuant to Rule 14a-9(a). The Trust notes that the Shareholder Proposal would otherwise be in order for inclusion in the Proxy Materials, and neither materially false nor misleading, if it did not include the current parenthetical reference to cost savings.

In accordance with Rule 14a-8(j), the Trust is contemporaneously notifying Mr. Goodson, by copy of this letter, of its intention to omit the Shareholder Proposal from its Proxy Materials. On behalf of the Trust, we respectfully request that the Staff confirm that it will not recommend any enforcement action if the Trust omits the Shareholder Proposal from its Proxy Materials for the reasons set forth above. In the event the Staff believes that the Shareholder Proposal may appropriately be reformed by Mr. Goodson, the Trust is of the view that the Shareholder Proposal’s parenthetical calculation of cost savings should be excluded from the Proxy Materials pursuant to Rule 14a-8(i)(6) and Rule 14a-8(i)(3).

Should the Staff require any additional information, please contact the undersigned at 617-951-7556 or John W. Gerstmayr, also of Ropes & Gray LLP, at 617-951-7393. Should the Staff disagree with the Trust's proposed course of action, we would appreciate the opportunity to confer with the Staff before it issues a response to this letter.

Very truly yours,

George B. Raine

cc: Frank H. Goodson