

State Farm® Tax-Advantaged Bond Fund

as of September 30, 2009

Legacy Class A & B Shares and
Class A & B Shares

State Farm Mutual Fund Trust



Investment Objective

Seeks as high a rate of income exempt from federal income taxes as is consistent with prudent investment management.

Investment Strategy

The Tax Advantaged Bond Fund normally invests so that either 80% or more of the fund's net investment income is exempt from regular federal income tax or 80% or more of the fund's net assets is invested in securities that produce income exempt from regular federal income tax. The fund normally invests at least 80% of its total assets in municipal bonds within the highest four rating categories of Moody's or S&P, meaning that it may invest up to 20% of the fund's total assets in medium- and lower-quality bonds.

Who May Want to Invest?

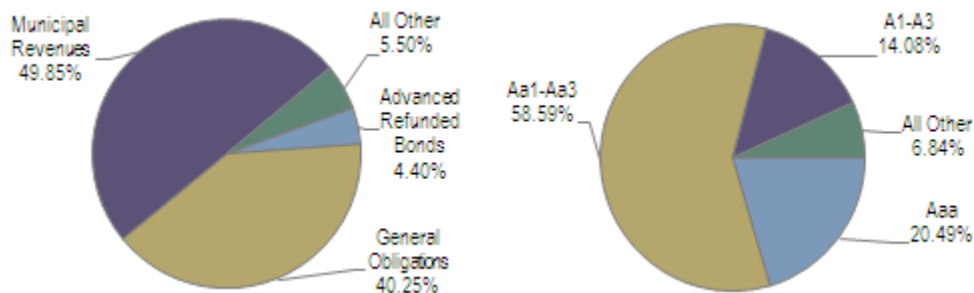
Those seeking to reduce taxes on their investment income. This is not an appropriate investment for a tax-deferred account like an IRA or 401(k) plan.

Portfolio Management

Managed by State Farm Investment Management Corp., which has over 30 years experience managing investment company assets and is responsible for over \$10.7 billion in assets as of September 30, 2009.

For more information, visit your registered State Farm agent, or call our Securities Response Center at 1.800.447.4930.

Portfolio Composition



Composition of Assets (as of Sep. 30, 2009)

1. Advanced Refunded Bonds	4.40%
2. General Obligations	40.25%
3. Municipal Revenues	49.85%
4. All Other (Includes Cash Equivalents)	5.50%

Credit Quality Breakdown (as of Sep. 30, 2009)

1. Aaa (Includes Advanced Refunded Bonds)	20.49%
2. Aa1-Aa3	58.59%
3. A1-A3	14.08%
4. All Other (Includes Cash Equivalents)	6.84%

All information is provided for informational purposes only and should not be deemed as recommendations to buy the securities mentioned above.

Total Net Assets

Legacy Class A & B: \$92,836,616.78
Class A & B: \$68,753,765.56

Total Number of Securities: 130

Average Maturity (as of Sep. 30, 200) 14.24 Years
Duration* (as of Sep. 30, 200) 5.62 Years

*Modified Duration - A measure of the price sensitivity of bond to interest rate movements. The portfolio's Modified Duration is the average (cash-weighted) term-to-maturity based on the present value of future cash flows using the Net Yield

Fund Facts

Legacy Class Legacy Class
A Shares B Shares A Shares B Shares

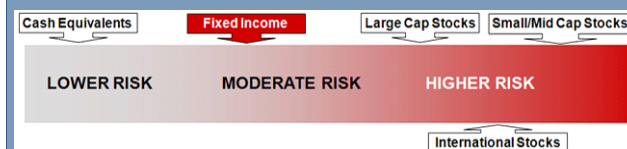
Inception	12/18/2000	12/18/2000	5/1/2006	5/1/2006
Symbol	SFTAX	SFTBX	TANAX	TANBX
CUSIP	85-6852793	85-6852785	85-6853668	85-6853650

Investment Minimums*

Initial Lump Sum:	\$250.00
Automatic Investment Plan:	\$50.00

*Additional fees may apply to certain accounts with balances less than \$1,000.

Risk Chart



Risk is inherent in all investing. Investing in a mutual fund – even the most conservative – involves risk, including the risk that you may receive little or no return on your investment or even that you may lose some or all of the money you invested.

Performance as of September 30, 2009

State Farm Tax Advantaged Bond Fund - Average Annual Total Returns					
	YTD	1-Year	3-Year	5-Year	Since Inception
Legacy Class A					
NAV	11.20%	16.25%	5.86%	4.68%	5.41%
w/sales charge	7.91%	12.72%	4.78%	4.05%	5.04%
Class A²					
NAV	11.18%	16.33%	5.88%	4.67%	5.40%
w/sales charge	7.80%	12.80%	4.81%	4.05%	5.04%
Legacy Class B					
NAV	10.87%	15.79%	5.44%	4.26%	4.99%
w/sales charge	7.87%	12.79%	4.60%	3.92%	4.99%
Class B³					
NAV	10.86%	15.78%	5.43%	4.24%	4.98%
w/sales charge	7.86%	12.78%	4.60%	3.90%	4.98%

Total Annual Operating Expenses		
	Gross	Net ¹
Legacy Class A	0.71%	0.70%
Class A	0.71%	0.70%
Legacy Class B	1.11%	1.10%
Class B	1.11%	1.10%

State Farm Tax Advantaged Bond Fund - NAV Total Returns At-a-Glance*				
	Year-End 2006	Year-End 2007	Year-End 2008	Year-to-Date 2009
Legacy Class A NAV	3.32%	4.00%	1.88%	11.20%
Class A NAV ²	3.32%	4.01%	1.88%	11.18%
Legacy Class B NAV	2.91%	3.59%	1.47%	10.87%
Class B NAV ³	2.91%	3.50%	1.48%	10.86%

*These figures do not reflect the value of shares acquired through reinvestment of all dividends and of all capital gain distributions for the period. If sales charges were included, returns would be lower than indicated. The performance for other share classes will vary.

Composite Index*					
Barclays Capital Municipal Bond Index ⁴ - Total Returns					
	YTD	1-Year	3-Year	5-Year	Since 12/18/2000
NAV	14.00%	14.85%	5.13%	4.78%	5.41%

*A theoretical investment in an index does not reflect any expenses. It is not possible to invest directly in an index.

This performance data represents past performance and does not guarantee future results. There is no guarantee that the circumstances leading to this performance will be replicated in the future. Investment return and principal value will fluctuate and fund shares, when redeemed, may be worth less than their original cost. Year-to-date and since inception total return are the compounded rate of change in value during a period of investment, including the value of shares acquired through reinvestment of all dividends and of all capital gain distributions for the period. These figures are based on an investment at the beginning of the period through the end of the period and reflect all applicable fees and expenses, including:

- A maximum sales charge of 3.00% for Legacy Class A shares and Class A shares and maximum contingent deferred sales charges on Legacy Class B and Class B shares of 3.00% during year one, 2.75% in years two and three, 2.50% in year four, 2.00% in year five, 1.00% in year six, and 0.00% in year seven, as applicable, and an annual 12b-1 fee of 0.25% for Legacy Class A shares and Class A shares and 0.65% for Legacy Class B shares and Class B shares.

NAV Total Return does not include any initial sales charge or contingent deferred sales charge for any shares. These figures do not reflect the deduction of taxes that a shareholder would pay on fund distributions or the redemption of fund shares. **Recent performance may be less than the figures shown.** Obtain total returns current to the most recent month-end at statefarm.com under the Mutual Funds tab.

¹ State Farm Investment Management Corp., the investment advisor for each fund, has voluntarily agreed to reimburse each fund for certain annual operating expenses. This agreement may be eliminated at any time.

² For the time period prior to May 1, 2006, the performance data quoted in this report for State Farm Class A shares is the performance for the Legacy Class A shares adjusted to include the maximum sales charge associated with Class A shares. Legacy Class A shares and Class A shares are comprised of the same underlying securities portfolio and have the same investment objectives and annual operating expenses. Legacy Class A shares have a maximum sales load of 3.00%. Class A shares have a maximum sales load of 5.00% except for the Bond Fund and the Tax Advantaged Bond Fund, which have a maximum sales load of 3.00%. Neither the Class A Money Market Fund nor the Legacy Class A Money Market Fund have a sales load. Class A shares have an inception date of May 1, 2006. Legacy Class A shares have an inception date of December 18, 2000, except for the LifePath® Funds, which have an inception date of May 9, 2003.

³ For the time period prior to May 1, 2006, the performance data quoted in this report for State Farm Class B shares is the performance for the Legacy Class B shares adjusted to include the higher contingent deferred sales charges and the higher 12b-1 fees associated with Class B shares. Legacy Class B shares and Class B shares are comprised of the same underlying securities portfolio and have the same investment objectives and annual operating expenses, except for 12b-1 fees. The annual 12b-1 fee for Legacy Class B shares is .65% for all the funds except the Money Market Fund, which is .55%. The annual 12b-1 fee for Class B shares is .95% for all the funds except the Bond Fund and the Tax Advantaged Bond Fund, which are .65% and the Money Market Fund, which is .55%. Class B shares have an inception date of May 1, 2006. Legacy Class B shares have an inception date of December 18, 2000, except for the LifePath® Funds, which have an inception date of May 9, 2003.

⁴ To be included in the Lehman Brothers Municipal Bond Index, a municipal bond must meet the following criteria: have a minimum credit rating of Baa assigned by Moody's Investors Service, Inc.; have been issued as part of an issue of at least \$50 million; have an amount outstanding of at least \$5 million; have been issued since December 31, 1990; and have a maturity of at least one year. The Lehman Brothers Municipal Bond Index represents an unmanaged group of bonds that differ from the composition of the Tax Advantaged Bond Fund. Unlike an investment in the Tax Advantaged Bond Fund, a theoretical investment in the Index does not reflect any expenses. It is not possible to invest directly in an index.

Class B shares are not available for purchase in SEP, SIMPLE, Retirement Plan Funding Program, 401(k), and Profit-Sharing Plans established after April 30, 2006. LifePath® Funds are registered trademarks of Barclays Global Investors, N.A.

There is no assurance that the fund will achieve its investment objective. An investment should be made with an understanding of the risks that an investment in debt securities entails. These include the risk that the financial condition of the issuers of the securities in the portfolio, or the condition of the bond market in general, may decline. Fund shares, when redeemed, may be worth more or less than their original cost. Under normal market conditions, the fund invests at least 80% of its assets in investment grade municipal bonds and money market securities and cash. Varying economic and market conditions may affect the value of, and yields on, the debt securities the fund holds. There may also be changes in the issuer's ability to make timely interest and principal payments. The market prices of debt securities generally move inversely to changes in the interest rates. Therefore, the fund's net asset value can be expected to rise when interest rates decline and decline when interest rates rise. The income paid to investors of this fund may subject certain individuals to the Federal Alternative Minimum Tax (AMT) and may also be subject to state and local income taxes.

State Farm Mutual Funds are available through prospectus by registered representatives of State Farm VP Management Corp., One State Farm Plaza, Bloomington, Illinois 61710, 1-800-447-4930. Please read the prospectus and consider the investment objectives, risks, charges and expenses and other information it contains about State Farm Mutual Funds carefully before investing.

NOT FDIC
INSURED

• MAY LOSE VALUE
• NO BANK GUARANTEE



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