

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM N-PX

**ANNUAL REPORT OF PROXY VOTING RECORD OF REGISTERED
MANAGEMENT INVESTMENT COMPANY**

Investment Company Act file number 811-21748

Bread & Butter Fund, Inc.

(Exact name of registrant as specified in charter)

3633 Hill Rd. 3rd Flr.

Parsippany, New Jersey 07054

(Address of principal executive offices)

(Zip code)

James B. Potkul

Potkul Capital Management LLC

3633 Hill Rd. 3rd Flr.

Parsippany, New Jersey 07054

(Name and address of agent for service)

Registrant's telephone number, including area code: 973-331-1000

Date of fiscal year end: December 31

Date of reporting period: October 31, 2005 - June 30, 2006

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 (Sections 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 thereunder (17 CFR 270.30b1-4). The Commission may use the information provided on Form N-PX in its regulatory, disclosure review, inspection, and policymaking notes.

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. Section 3507.

ITEM 1. PROXY VOTING RECORD:

Disclose the following information for each matter relating to a portfolio security considered at any shareholder meeting held during the period covered by the report and with respect to which the registrant was entitled to vote:

- (a).The name of the issuer of the portfolio security;
- (b).The exchange ticker symbol of the portfolio security;
- (c).The Council on Uniform Securities Identification Procedures ("CUSIP") number for the portfolio security;
- (d).The shareholder meeting date;
- (e).A brief identification of the matter voted on;
- (f).Whether the matter was proposed by the issuer or by a security holder;
- (g).Whether the Registrant cast its vote on the matter;
- (h).How the Registrant cast its vote (e.g., for or against proposal, or abstain; for or withhold regarding election of directors); and
- (i).Whether the Registrant cast its vote for or against management.

Item 1. Proxy Voting Record

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COMPANY: BERKSHIRE HATHAWAY INC.
TICKER: BRK.B
CUSIP: 084670207
MEETING DATE: 05/06/06

#	Proposal			Mgmt Rec	Vote Cast
1.1	Elect Management	Director	Warren E. Buffett	For	For
1.2	Elect Management	Director	Charles T Munger	For	For
1.3	Elect Management	Director	Howard G Buffett	For	For
1.4	Elect Management	Director	Malcolm G Chace	For	For
1.5	Elect Management	Director	William H Gates	For	For
1.6	Elect Management	Director	David S Gotteman	For	For
1.7	Elect Management	Director	Charlotte Guyman	For	For
1.8	Elect Management	Director	Donald R Keough	For	For
1.9	Elect Management	Director	Thomas S Murphy	For	For
1.10	Elect Management	Director	Ronald L Olson	For	For
1.11	Elect Management	Director	Walter Scott Jr.	For	For

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COMPANY: Central Parking
 TICKER: CPC
 CUSIP: 154785109
 MEETING DATE: 02/21/06

#	Proposal			Mgmt Rec.	Vote Cast
1.1	Elect Management	Director	Monroe J. Carell	For	For
1.2	Elect Management	Director	Raymond T. Baker	For	For
1.3	Elect Management	Director	Claude Blankenship	For	For
1.4	Elect Management	Director	Kathryn Carrell-Brown	For	For
1.5	Elect Management	Director	Emanuel J. Eads	For	For
1.6	Elect Management	Director	Lewis Katz	For	For
1.7	Elect Management	Director	Edward G. Nelson	For	For
1.8	Elect Management	Director	Owen G. Shell	For	For
1.9	Elect Management	Director	Willaim B. Smith	For	For
2	Approve Adoption of 2006 LT incentive Plan Management			For	Against
3.	Other Matters properly come before meeting Management			For	For

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 COMPANY: EL PASO CORPORATION
 TICKER: EP
 CUSIP: 28336L109
 MEETING DATE: 05/25/06

#	Proposal			Mgmt Rec	Vote Cast
1.1	Elect Management	Director	Juan Carlos Braniff	For	For
1.2	Elect Management	Director	James L Dunlap	For	For
1.3	Elect Management	Director	Douglas L Foshee	For	For
1.4	Elect Management	Director	Robert W Goldman	For	For
1.5	Elect Management	Director	Anthony W Hall, Jr.	For	For
1.6	Elect Management	Director	Thomas R Hix	For	For

1.7	Elect	Director	William H Joyce	For	For
	Management				
1.8	Elect	Director	Ronald L Kuehn	For	For
	Management				
1.09	Elect	Director	Ferrell P McClean	For	For
	Management				
1.10	Elect	Director	J. Michael Talbert	For	For
	Management				
1.11	Elect	Director	Robert F Vagt	For	For
	Management				
1.12	Elect	Director	John L Whitmire	For	For
	Management				
1.13	Elect	Director	Joe B Wyatt	For	For
	Management				
2	Prop. Approval	Adoption	Cumulative Voting	Against	For
	Shareholder				
3	Prop. Approval	Disclosure of Exec. Comp.		Against	For
	Shareholder				

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COMPANY: ORIGEN FINANCIAL INC.
TICKER: ORGN
CUSIP: 68619E208
MEETING DATE: 6/15/2006

#	Proposal			Mgmt	Vote
Sponsor				Rec	Cast
1.1	Elect	Director	Ronald A Klein	For	For
	Management				
1.2	Elect	Director	Paul A Halpern	For	For
	Management				
1.3	Elect	Director	Gary A Shiffman	For	For
	Management				
1.4	Elect	Director	Richard H Rogel	For	For
	Management				
1.5	Elect	Director	James A Williams	For	For
	Management				
1.6	Elect	Director	Michael J Wechsler	For	For
	Management				

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COMPANY: PFIZER, INC.
TICKER: PFE
CUSIP: 717081103
MEETING DATE: 04/27/06

#	Proposal			Mgmt	Vote
Sponsor				Rec	Cast
1.1	Elect	Director	Michael s Brown	For	For
	Management				
1.2	Elect	Director	M. Anthony Burns	For	For
	Management				

1.3	Elect Management	Director	Robert N Burt	For	For
1.4	Elect Management	Director	W Don Cornwell	For	For
1.5	Elect Management	Director	William H Gray III	For	For
1.6	Elect Management	Director	Constance J Horner	For	For
1.7	Elect Management	Director	William R Howell	For	For
1.8	Elect Management	Director	Stanley O Ikenberry	For	For
1.9	Elect Management	Director	George A Lorch	For	For
1.10	Elect Management	Director	Henry A McKinnell	For	For
1.11	Elect Management	Director	Dana G Mead	For	For
1.12	Elect Management	Director	Ruth J Simmons	For	For
1.13	Elect Management	Director	William C Steere Jr.	For	For
2	Ratify KPMG LLP Independent Public Accounting Firm for 2006			For	For
3	Amend Company's Restated Certificate Management			For	For
4	Term Limits for Directors Shareholder			Against	Against
5	Reporting Pharmaceutical Price Restraint Shareholder			Against	Against
6	Cumulative Voting Shareholder			Against	For
7	Separation of Roles of CEO and Chairman Shareholder			Against	Against
8	Report on Political Contributions Shareholder			Against	Against
9	Amending Pfizer's Policy on Lab Animal Care Shareholder			Against	Against
10	Financial Contributions for Animal Based Tests Shareholder			Against	Against

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COMPANY: Sun Communities Inc.
TICKER: SUI
CUSIP: 866674104
MEETING DATE: 05/25/06

#	Proposal	Sponsor	Mgmt Rec	Vote Cast	
1.1	Elect Management	Director	Ted J Simon	For	For
1.2	Elect Management	Director	Paul D Lapidés	For	For

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COMPANY: Time Warner Inc.
TICKER: TWX
CUSIP: 887317105
MEETING DATE: 05/19/2006

#	Proposal		Mgmt Rec	Vote Cast
1.1	Elect Director Management	James L Barksdale	For	For
1.2	Elect Director Management	Stephen F Bollenbach	For	For
1.3	Elect Director Management	Frank J Caufield	For	Against
1.4	Elect Director Management	Robert C Clark	For	For
1.5	Elect Director Management	Jessica P Einhorn	For	For
1.6	Elect Director Management	Reuben Mark	For	For
1.7	Elect Director Management	Nichael A Miles	For	Against
1.8	Elect Director Management	Kenneth J Novack	For	For
1.9	Elect Director Management	Richard D Parson	For	For
1.10	Elect Director Management	Francis T Vincent Jr.	For	Against
1.11	Elect Director Management	Deborah C Wright	For	Against
2	Ratification of Auditors Management		For	For
3	Approve 2006 Stock Incentive Plan Management		For	Against
4	Proposal Regarding Simple Majority Vote Shareholder		Against	For
5	Separation of roles of CEO and Chairman Shareholder		Against	Against
6	Proposal Regarding Code of Vendor Conduct Shareholder		Against	Against

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.
Bread & Butter Fund Inc.

/s/ James B Potkul

James B Potkul
President

Date: July 8, 2006