

EATON VANCE MUNICIPAL INCOME TRUST  
Form N-30D  
July 30, 2001

[EATON VANCE LOGO]

[EDUCATION SIGN]

SEMIANNUAL REPORT MAY 31, 2001

[CARSON HIGHWAY]

EATON VANCE  
MUNICIPAL  
INCOME  
TRUST

[BRIDGE]

EATON VANCE MUNICIPAL INCOME TRUST AS OF MAY 31, 2001

LETTER TO SHAREHOLDERS

[PHOTO]  
THOMAS J. FETTER  
PRESIDENT

The municipal bond market has long been the primary source of funding in the U.S. for state and local public projects. Understandably, given the vast size and complicated nature of this arena, market participants require sound criteria to determine credit quality, assess risk and establish consistent benchmarks for valuations. Determining credit quality is, therefore, a critical function, a role played, in part, by ratings agencies, including the acknowledged market leaders, Standard & Poor's (S&P) and Moody's Investors Service, Inc. (Moody's).

Rating agencies produce widely recognized credit standards...

Just as loan officers review the creditworthiness of mortgage applicants, rating agencies have established credit standards that are used to analyze municipal and corporate borrowers. Approximately 97% of the municipal bonds issued in 2000 were accorded a rating from a major rating agency.

The agencies base their ratings on many considerations, including:

- The capacity of the borrower to make timely interest payments and repay principal;
- The maturity and nature of the debt obligation;
- Protective covenants for lenders in the event of bankruptcy or a significant change in the borrower's revenue outlook.

From AAA to BBB, ratings provide an objective assessment of credit risk...

Bonds rated BBB(S&P)/Baa(Moody's) or above are considered investment-grade, with

## Edgar Filing: EATON VANCE MUNICIPAL INCOME TRUST - Form N-30D

bonds rated AAA(S&P)/Aaa(Moody's) deemed to be of the highest quality and AA/Aa rated bonds considered high quality. Bonds rated below BBB/Baa are non-investment grade, with incremental gradations below that tier reflecting different levels of risk. Ratings are subject to routine follow-up reviews and may be changed or withdrawn due to changes in an issuer's underlying fundamentals or other pertinent circumstances. Typically, bonds may rise or fall in value in anticipation of upgrades or downgrades.

MUNICIPAL BOND YIELDS WERE NEARLY 94% OF TREASURY YIELDS

5.39%	8.92%
30-YEAR AAA-RATED	TAXABLE EQUIVALENT YIELD
GENERAL OBLIGATIONS (GO) BONDS*	IN 39.4% TAX BRACKET

5.75%  
30-YEAR TREASURY BOND

PRINCIPAL AND INTEREST PAYMENTS OF TREASURY SECURITIES ARE GUARANTEED BY THE U.S. GOVERNMENT.

\*GO YIELDS ARE A COMPILATION OF A REPRESENTATIVE VARIETY OF GENERAL OBLIGATIONS AND ARE NOT NECESSARILY REPRESENTATIVE OF THE TRUST'S YIELD. STATISTICS AS OF MAY 31, 2001.

PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS.  
SOURCE: BLOOMBERG, L.P.

The higher the credit rating, the lower the interest rate...

Accordingly, an issuer with a AAA rating can be expected to issue new bonds at or near the lowest prevailing interest rate. Conversely, an issuer with a lower credit rating will be required to pay higher rates. In the secondary market, higher-rated bonds in a given category typically trade at higher prices and, therefore, have lower yields than bonds of lower quality. These yield differentials are called "quality spreads," usually characterized in basis points. (A basis point equals .01%). Spreads among differently rated bonds may vary with changes in supply, market fundamentals and investor sentiment, and such fluctuations play a major role in bond investment strategy.

Ratings are an invaluable tool for issuers and investors alike...

Ratings issued by major agencies do not represent a recommendation to buy or sell, nor are they a judgment as to a bond's suitability as an investment. They are, however, a much-needed tool used to evaluate bonds in the marketplace. The existence of a clearly defined rating system contributes to orderly and transparent markets, which is important for issuers and investors alike.

Sincerely,

/s/ Thomas J. Fetter

Thomas J. Fetter  
President  
July 11, 2001

## Edgar Filing: EATON VANCE MUNICIPAL INCOME TRUST - Form N-30D

[PHOTO]

THOMAS M. METZOLD  
PORTFOLIO MANAGER

### INVESTMENT ENVIRONMENT

- Toward the end of 2000, most economic indicators pointed to a faltering U.S. economy. Declining corporate profits, mounting job layoffs and a sharply falling stock market exacted a heavy toll on consumer confidence. According to revised Commerce Department figures, fourth quarter 2000 Gross Domestic Product grew at a tepid 1.0% pace. That was followed by a lackluster 1.3% growth rate in the first quarter of 2001.
- The Fed signaled an easier monetary policy in the second half of 2000. Taking its cue, the bond markets, which move in the opposite direction of interest rates, rallied into early 2001. Against this backdrop, with inflation posing little threat, the Federal Reserve launched an aggressive effort to jump-start the economy. Beginning in early January, the Fed initiated a series of interest rate cuts and, by the end of June, had reduced its benchmark Federal Funds rate - a key short-term interest rate barometer - to 3.75%.

### THE TRUST

#### PERFORMANCE FOR THE PAST YEAR

- Based on share price (traded on the New York Stock Exchange), the Trust had a total return of 15.50% for the six months ended May 31, 2001. That return was the result of an increase in share price from \$11.125 on November 30, 2000 to \$12.47 on May 31, 2001, and the reinvestment of \$0.373 in regular monthly dividends.
- Based on net asset value, the Trust had a total return of 7.10% for the six months ended May 31, 2001. That return was the result of an increase in net asset value per share from \$11.95 on November 30, 2000 to \$12.42 on May 31, 2001, and the reinvestment of all distributions.
- Based on the most recent dividend and a share price of \$12.47 the Trust had a market yield of 5.98% at May 31, 2001.(1) The Trust's market yield is equivalent to a taxable yield of 9.90%.(2)

### MANAGEMENT DISCUSSION

- The Trust's largest concentration was in hospital bonds. Management remained very selective with respect to hospital investments, focusing on competitive institutions, including Oneonta, Alabama, Eastern Health Care Facility bonds that have a favorable cost structure and a good market position.
- General obligation bonds were one of the Trust's largest category weightings at May 31. Florida and Texas school district issues, for example, provided excellent quality and good liquidity, characteristics valued in any interest rate environment.
- Management continued its efforts to improve the Trust's call protection. With the decline of interest rates from their highs earlier in the decade, call protection therefore becomes an increasingly important strategic consideration.
- The uncertainties in the economy have helped make municipal bonds an attractive investment option. While there are scenarios on the supply side that bear watching, we believe that bonds continue to offer good income

## Edgar Filing: EATON VANCE MUNICIPAL INCOME TRUST - Form N-30D

opportunities and a measure of refuge from recent market volatility.

### LARGEST CATEGORIES (3)

BY TOTAL NET ASSETS

HOSPITAL	15.9%
INSURED TRANSPORTATION*	10.8%
INDUSTRIAL DEVELOPMENT REVENUE	9.4%
GENERAL OBLIGATIONS	9.1%
HOUSING	6.5%

\*May not represent the Portfolio's current or future investments.

SHARES OF THE TRUST ARE NOT INSURED BY THE FDIC AND ARE NOT DEPOSITS OR OTHER OBLIGATIONS OF, OR GUARANTEED BY, ANY DEPOSITORY INSTITUTION. SHARES ARE SUBJECT TO INVESTMENT RISKS, INCLUDING POSSIBLE LOSS OF PRINCIPAL INVESTED. YIELDS WILL VARY.

TRUST INFORMATION AS OF MAY 31, 2001

### PERFORMANCE (4)

Average Annual Total Returns (by market value, New York Stock Exchange)

---

One Year	25.63%
Life of Trust (1/29/99)	-1.83%

Average Annual Total Returns (at net asset value)

---

One Year	22.15%
Life of Trust (1/29/99)	-2.00%

### RATING DISTRIBUTION (3)

[CHART]

NON-RATED	27.7%
AAA	34.4%
AA	16.6%
A	3.2%
BBB	17.2%
B	0.9%

- (1) The Trust's market yield is calculated by dividing the most recent dividend per share by the share price at the end of the period and annualizing the result.
- (2) Taxable-equivalent yield assumes maximum 39.6% federal income tax rate. A lower rate would result in a lower tax-equivalent figure.
- (3) Rating Distribution and Largest Categories are determined by dividing the

## Edgar Filing: EATON VANCE MUNICIPAL INCOME TRUST - Form N-30D

total market value of the holdings by the total net assets of the Trust.  
Rating Distribution and Largest Categories are subject to change.

- (4) Returns are historical and are calculated by determining the percentage change in share price or net asset value with all distributions reinvested.

Past performance is no guarantee of future results. Investment return and market price will fluctuate so that shares, when sold, may be worth more or less than their original cost.

3

EATON VANCE MUNICIPAL INCOME TRUST AS OF MAY 31, 2001

PORTFOLIO OF INVESTMENTS (UNAUDITED)

TAX-EXEMPT INVESTMENTS -- 99.0%

PRINCIPAL AMOUNT (000'S OMITTED)	SECURITY	VALUE
-----		
Certificates of Participation -- 0.5%		
-----		
\$ 1,960	Cliff House Trust, PA, (AMT), 6.625%, 6/1/27	\$ 1,777,426
		\$ 1,777,426
-----		
Cogeneration -- 0.9%		
-----		
\$ 2,950	Maryland Energy Cogeneration, (AES Warrior Run), (AMT), 7.40%, 9/1/19	\$ 3,047,527
		\$ 3,047,527
-----		
Education -- 4.7%		
-----		
\$ 3,000	California Educational Facilities Authority, Residual Certificates, Variable Rate, 12/1/32(1)(2)	\$ 2,992,080
3,185	Florida Capital Projects Finance Authority, Student Housing Revenue, (Florida University), 7.75%, 8/15/20	3,173,407
6,875	Massachusetts Development Finance Agency, (Boston University), 5.45%, 5/15/59	6,574,837
3,250	New York Dormitory Authority, (State University Educational Facilities), 4.75%, 5/15/28	2,940,210
		\$ 15,680,534
-----		
Electric Utilities -- 5.3%		
-----		
\$ 8,000	Brazos River Authority, TX, (Reliant Energy, Inc.), (AMT), 5.375%, 4/1/19	\$ 7,448,080
1,500	North Carolina Eastern Municipal Power Agency, 5.75%, 1/1/26	1,442,715

Edgar Filing: EATON VANCE MUNICIPAL INCOME TRUST - Form N-30D

7,250	North Carolina Municipal Power Agency, (Catawba), 6.50%, 1/1/20	7,580,672
1,200	Santa Cruz County, AZ, IDA, (Citizens Utilities Co.), (AMT), 7.15%, 2/1/23	1,186,812
		-----
		\$ 17,658,279

Escrowed / Prerefunded -- 3.2%

\$35,000	Dawson Ridge, CO, Metropolitan District #1, Escrowed to Maturity, 0.00%, 10/1/22	\$ 8,571,150
1,725	Maricopa County, AZ, IDA, (Place Five and The Greenery), Escrowed to Maturity, 8.625%, 1/1/27	2,145,831
		-----
		\$ 10,716,981

General Obligations -- 9.1%

\$ 3,280	Bell Mountain Ranch, CO, Metropolitan District, 6.625%, 11/15/25	\$ 3,122,101
----------	---	--------------

PRINCIPAL AMOUNT  
(000'S OMITTED)

SECURITY

VALUE

General Obligations (continued)

\$ 500	California, Variable Rate, 12/1/23(1)(3)	\$ 828,700
3,500	California, Residual Certificates, Variable Rate, 9/1/30(1)(2)	3,429,230
12,985	Florida Board of Education, 4.75%, 6/1/28(4)	11,760,385
4,000	Kershaw County, SC, School District, 5.00%, 2/1/18	3,966,240
8,500	North East Independent School District, TX, 4.50%, 10/1/28	7,227,125
		-----
		\$ 30,333,781

Hospital -- 15.9%

\$ 2,500	California Health Facilities Authority, (Cedars Sinai Medical Center), Variable Rate, 12/1/34(1)(3)	\$ 2,745,250
1,000	Chautauqua County, NY, IDA, (Women's Christian Association), 6.35%, 11/15/17	879,420
1,000	Chautauqua County, NY, IDA, (Women's Christian Association), 6.40%, 11/15/29	842,790
1,410	Colorado Health Facilities Authority, (Rocky Mountain Adventist), 6.625%, 2/1/22	1,439,398
1,000	Halifax, FL, Medical Center, 7.25%, 10/1/24	976,800
2,870	Highland County, OH, (Joint Township Hospital District), 6.75%, 12/1/29	2,569,080
3,500	John Tolfree Health System Corp., MI, 6.00%, 9/15/23	2,981,930
1,215	Loris, SC, Community Hospital District, 5.625%, 1/1/20	1,063,246
3,500	Loris, SC, Community Hospital District,	

Edgar Filing: EATON VANCE MUNICIPAL INCOME TRUST - Form N-30D

	5.625%, 1/1/29	2,915,325
5,750	Louisiana Public Facilities Authority, (Tuoro Infirmary), 5.625%, 8/15/29	5,495,447
2,000	Martin County, MN, (Fairmont Community Hospital Association ), 6.625%, 9/1/22	1,813,200
6,000	Massachusetts HEFA, (Partners Healthcare System), 5.25%, 7/1/29(4)	5,517,780
1,700	Mecosta County, MI, General Hospital, 5.75%, 5/15/09	1,635,043
2,500	Mecosta County, MI, General Hospital, 6.00%, 5/15/18	2,247,125
4,260	New Jersey Health Care Facilities Financing Authority, (Capital Health System), 5.25%, 7/1/27	3,161,261
4,000	New Jersey Health Care Facilities Financing Authority, (St. Barnabas Medical Center), Variable Rate, 7/1/28(1)(2)	3,435,880
1,500	New Jersey Health Care Facilities Financing Authority, (Trinitas Hospital), 7.50%, 7/1/30	1,505,445

SEE NOTES TO FINANCIAL STATEMENTS

4

EATON VANCE MUNICIPAL INCOME TRUST AS OF MAY 31, 2001

PORTFOLIO OF INVESTMENTS (UNAUDITED) CONT'D

PRINCIPAL AMOUNT (000'S OMITTED)	SECURITY	VALUE
-----		
Hospital (continued)		
-----		
\$ 1,585	Oneonta, AL, Eastern Health Care Facility Financing Authority, (Eastern Health Systems, Inc.), 7.75%, 7/1/21	\$ 1,646,958
7,000	Rhode Island HEFA, (St. Joseph Health Services), 5.50%, 10/1/29	5,357,730
2,425	Southwestern Illinois, Development Authority, (Anderson Hospital), 5.625%, 8/15/29	2,032,295
3,000	Weber County, UT, (IHC Health Services, Inc.), 5.00%, 8/15/30	2,736,360
		-----
		\$ 52,997,763
-----		
Housing -- 6.5%		
-----		
\$ 990	California Statewide Communities Development Authority, Variable Rate, 6/1/09(1)(3)	\$ 1,045,905
4,000	Charter Mac Equity Trust, TN, (AMT), 6.625%, 6/30/09	3,992,440
980	Lake Creek, CO, Affordable Housing Corp., Multifamily, 7.00%, 12/1/23	929,158

Edgar Filing: EATON VANCE MUNICIPAL INCOME TRUST - Form N-30D

4,620	Louisiana Public Facilities Authority, (Eden Point), 6.25%, 3/1/34	4,111,939
4,000	Muni Mae Tax-Exempt Bond, LLC, (AMT), Variable Rate, 6/30/09	4,022,120
3,430	North Little Rock, AR, Residential Housing Facilities, (Parkstone Place), 6.50%, 8/1/21	3,263,473
3,700	Oregon Health Authority, (Trillium Affordable Housing), (AMT), 6.75%, 2/15/29	3,478,962
1,000	Raleigh, NC, Housing Authority, Multifamily, (Cedar Point), 7.00%, 11/1/30	777,720
		\$ 21,621,717

Industrial Development Revenue -- 9.4%

\$ 1,990	Abia Development Corp., TX, (Austin Cargoport Development), (AMT), 6.50%, 10/1/24	\$ 1,785,050
1,970	Broward County, FL, IDR, (Lynxs Cargoport), (AMT), 6.75%, 6/1/19	1,816,241
4,000	Courtland, AL, Solid Waste Disposal, (Champion International Corp.), (AMT), 6.70%, 11/1/29	4,202,920
2,500	Denver, CO, City and County, (United Airlines), Variable Rate, 10/1/32(1)(3)	2,389,400
1,000	Gloucester County, NJ, Improvements Authority, (Waste Management, Inc.), (AMT), 7.00%, 12/1/29	1,092,250
2,500	Gulf Coast, TX, Waste Disposal Authority, (Valero Energy Corp.) (AMT), 5.70%, 4/1/32	2,222,800
3,425	Middleboro, MA, (Read Corp.), 9.50%, 10/1/10	3,505,796
3,550	Mississippi Business Finance Corp., (System Energy Resources, Inc.), 5.90%, 5/1/22	3,288,969

PRINCIPAL AMOUNT  
(000'S OMITTED)

SECURITY

VALUE

Industrial Development Revenue (continued)

\$ 3,000	Missouri Development Finance Authority, Solid Waste Disposal, (Proctor and Gamble Paper Products), (AMT), 5.20%, 3/15/29	\$ 2,919,390
3,000	New Jersey EDA, (Continental Airlines), (AMT), Variable Rate, 3/15/23(1)(3)	2,604,900
5,750	Ohio Solid Waste Disposal, (USG Corp.), (AMT), 5.65%, 3/1/33	2,767,303
3,550	Phoenix, AZ, IDA, (America West Airlines, Inc.), (AMT), 6.25%, 6/1/19	2,942,134
		\$ 31,537,153

Insured - Education -- 0.8%



Edgar Filing: EATON VANCE MUNICIPAL INCOME TRUST - Form N-30D

\$ 3,000	Massachusetts HEFA, (Berklee College of Music), (MBIA), Variable Rate, 10/1/27(1) (3)	\$ 2,772,630
		-----
		\$ 2,772,630
-----		
Insured - Electric Utilities -- 2.8%		
-----		
\$ 6,250	Brazos River Authority, TX, PCR, (Texas Utilities Electric Co.), (MBIA), (AMT), 5.55%, 6/1/30	\$ 6,264,625
3,000	Burke County, GA, Development Authority, (Georgia Power Co.), (MBIA), (AMT), 5.45%, 5/1/34	2,996,640
		-----
		\$ 9,261,265
-----		
Insured - General Obligations -- 3.6%		
-----		
\$11,250	Chicago, IL, (MBIA), 5.00%, 1/1/41	\$ 10,304,100
1,725	Lancaster County, SC, School District, (FSA), 4.75%, 3/1/18	1,637,836
		-----
		\$ 11,941,936
-----		
Insured - Hospital -- 2.7%		
-----		
\$10,000	New York Dormitory Authority, (Municipal Health Facilities Improvement), (FSA), 4.75%, 1/15/29	\$ 9,038,800
		-----
		\$ 9,038,800
-----		
Insured - Transportation -- 10.8%		
-----		
\$ 3,500	Chicago, IL, O'Hare International Airport, (AMBAC), (AMT), 5.375%, 1/1/32(5)	\$ 3,412,675
2,850	Clark County, NV, Airport, (MBIA), 6.00%, 7/1/29	3,042,005
4,930	Dallas-Fort Worth, TX, International Airport, (FGIC), (AMT), 5.75%, 11/1/30	5,020,219
4,500	Dallas-Fort Worth, TX, International Airport, (FGIC), (AMT), 6.125%, 11/1/35	4,719,645

SEE NOTES TO FINANCIAL STATEMENTS

5

EATON VANCE MUNICIPAL INCOME TRUST AS OF MAY 31, 2001

PORTFOLIO OF INVESTMENTS (UNAUDITED) CONT'D

PRINCIPAL AMOUNT (000'S OMITTED)	SECURITY	VALUE
-------------------------------------	----------	-------

-----

Insured - Transportation (continued)

Edgar Filing: EATON VANCE MUNICIPAL INCOME TRUST - Form N-30D

\$ 3,500	Florida Turnpike Authority, (Department of Transportation), (FGIC), 4.50%, 7/1/27	\$ 3,066,280
4,250	Metropolitan Transportation Authority, NY, Commuter Revenue (FGIC), 4.75%, 7/1/26	3,958,195
7,500	Minneapolis and St. Paul, MN, Metropolitan Airport Commission, (FGIC), 5.25%, 1/1/32	7,359,675
5,500	Nevada Department of Business and Industry, (Las Vegas Monorail - 1st Tier), (AMBAC), 5.375%, 1/1/40	5,377,240
		\$ 35,955,934
-----		
Insured - Water and Sewer -- 1.3%		
\$ 5,000	Charleston, SC, Waterworks and Sewer, (FGIC), 4.50%, 1/1/24	\$ 4,384,050
		\$ 4,384,050
-----		
Lease Revenue / Certificates of Participation -- 2.4%		
\$ 8,500	Michigan Building Authority, 4.75%, 10/15/21	\$ 7,842,610
		\$ 7,842,610
-----		
Miscellaneous -- 1.0%		
\$ 3,300	Santa Fe, NM, (Crow Hobbs), 8.50%, 9/1/16	\$ 3,454,374
		\$ 3,454,374
-----		
Nursing Home -- 1.5%		
\$ 2,000	Orange County, FL, Health Facilities Authority, (Westminster Community Care), 6.75%, 4/1/34	\$ 1,776,840
2,000	Tarrant County, TX, Health Facilities Authority, (3927 Foundation), 10.25%, 9/1/19(6)	598,440
3,000	Wisconsin HEFA, (Wisconsin Illinois Senior Housing), 7.00%, 8/1/29	2,783,550
		\$ 5,158,830
-----		
Pooled Loans -- 0.9%		
\$ 667	Tax Exempt Securities Trust, Community Health Provider, Pooled Loan Program, 6.00%, 12/1/36	\$ 613,624
1,760	Tax Exempt Securities Trust, Community Health Provider, Pooled Loan Program, 6.25%, 12/1/36	1,688,731
668	Tax Exempt Securities Trust, Community Health Provider, Pooled Loan Program, 7.75%, 12/1/36	647,245
-----		

Edgar Filing: EATON VANCE MUNICIPAL INCOME TRUST - Form N-30D

\$ 2,949,600

PRINCIPAL AMOUNT  
(000'S OMITTED)

SECURITY

VALUE

Senior Living / Life Care -- 3.2%

\$ 430	Delaware County, PA, IDA, (Glen Riddle), (AMT), 8.125%, 9/1/05	\$ 446,091
2,000	Delaware County, PA, IDA, (Glen Riddle), (AMT), 8.625%, 9/1/25	2,136,560
3,245	Logan County, CO, Industrial Development Revenue, (TLC Care Choices, Inc.), 6.875%, 12/1/23	2,891,425
1,400	Mesquite, TX, Health Facilities Authority, (Christian Retirement Facility), 7.625%, 2/15/28	1,404,508
3,700	Ohio HFA, Retirement Rental Housing, (Encore Retirement Partners), 6.75%, 3/1/19	3,144,260
750	Okaloosa County, FL, Retirement Rental Housing, (Encore Retirement Partners), 6.125%, 2/1/14	638,933

\$ 10,661,777

Special Tax Revenue -- 4.3%

\$ 3,600	Black Hawk, CO, Business Improvement District, 6.50%, 12/1/11	\$ 3,514,608
1,500	Longleaf, FL, Community Development District, 6.20%, 5/1/09	1,450,380
1,910	Longleaf, FL, Community Development District, 6.65%, 5/1/20	1,841,297
6,500	Puerto Rico Infrastructure Financing Authority, Variable Rate, 10/1/32(1)(2)	7,171,385
60	South Orange County, CA, Public Financing Authority, DRIVERS, Variable Rate, 8/15/15(1)(3)	379,740

\$ 14,357,410

Transportation -- 2.8%

\$ 8,000	Kent County, MI, Airport Facility, 5.00%, 1/1/25	\$ 7,634,160
2,400	Massachusetts Turnpike Authority, Metropolitan Highway System, Variable Rate, 1/1/37(1)(2)	1,793,088

\$ 9,427,248

Utilities - Electrical and Gas -- 2.3%

\$ 8,500	San Antonio, TX, Electric and Natural Gas, 4.50%, 2/1/21	\$ 7,527,685
----------	---	--------------

\$ 7,527,685

Water and Sewer -- 3.1%

Edgar Filing: EATON VANCE MUNICIPAL INCOME TRUST - Form N-30D

\$ 100	Los Angeles, CA, Department of Water and Power, Variable Rate, 2/15/30(1)(3)	\$ 494,750
1,500	Metropolitan Water District, CA, (Southern California Waterworks), Variable Rate, 7/1/27(1)(3)	1,178,550

SEE NOTES TO FINANCIAL STATEMENTS

6

EATON VANCE MUNICIPAL INCOME TRUST AS OF MAY 31, 2001

PORTFOLIO OF INVESTMENTS (UNAUDITED) CONT'D

PRINCIPAL AMOUNT (000'S OMITTED)	SECURITY	VALUE
-----		
Water and Sewer (continued)		
-----		
\$ 2,000	New York, NY, City Municipal Water Finance Authority (Water and Sewer Systems Revenue), 5.50%, 6/15/33	\$ 2,028,440
6,500	Sacramento County, CA, Sanitation District Financing Authority Revenue, 5.875%, 12/1/27	6,731,725
		-----
		\$ 10,433,465
-----		
Total Tax-Exempt Investments -- 99.0%		
(identified cost \$341,338,691)		\$330,538,775
-----		
Other Assets, Less Liabilities -- 1.0%		\$ 3,401,812
-----		
Net Assets -- 100.0%		\$333,940,587
-----		

AMT - Interest earned from these securities may be considered a tax preference item for purposes of the Federal Alternative Minimum Tax.

At May 31, 2001, the concentration of the Trust's investments in the various states, determined as a percentage of net assets, is as follows:

Texas	13.2%
Others, representing less than 10% individually	85.8%

The Trust invests primarily in debt securities issued by municipalities. The ability of the issuers of the debt securities to meet their obligations may be affected by economic developments in a specific industry or municipality. In order to reduce the risk associated with such economic developments, at May 31, 2001, 22.2% of the securities in the portfolio of investments are backed by bond insurance of various financial institutions and financial guaranty assurance agencies. The aggregate percentage insured by financial

## Edgar Filing: EATON VANCE MUNICIPAL INCOME TRUST - Form N-30D

institutions ranged from 2.7% to 8.6% of total investments.

- (1) Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers.
- (2) Security has been issued as a leveraged inverse floater bond.
- (3) Security has been issued as an inverse floater bond.
- (4) Security (or a portion thereof) has been segregated to cover when-issued securities.
- (5) When-issued security.
- (6) Non-income producing security.

SEE NOTES TO FINANCIAL STATEMENTS

7

EATON VANCE MUNICIPAL INCOME TRUST AS OF MAY 31, 2001

FINANCIAL STATEMENTS (UNAUDITED)

STATEMENT OF ASSETS AND LIABILITIES

AS OF MAY 31, 2001

Assets

-----	
Investments, at value	
(identified cost, \$341,338,691)	\$330,538,775
Cash	913,597
Receivable for investments sold	70,000
Interest receivable	5,844,010
Prepaid expenses	41,509
-----	
TOTAL ASSETS	\$337,407,891
-----	

Liabilities

-----	
Payable to affiliate for Trustees' fees	\$ 1,585
Payable for when-issued securities	3,375,400
Accrued expenses	90,319
-----	
TOTAL LIABILITIES	\$ 3,467,304
-----	
NET ASSETS	\$333,940,587
-----	

Sources of Net Assets

-----	
Auction Preferred Shares, \$0.01 par value; unlimited number of shares authorized, 5,240 shares issued and outstanding at \$25,000 per share liquidation preference	\$131,000,000
Common Shares, \$0.01 par value; unlimited number of shares authorized, 16,341,127 shares issued and outstanding	163,411
Additional paid-in capital	242,373,930
Accumulated net realized loss (computed on the basis of identified cost)	(30,101,083)
Accumulated undistributed net investment	
-----	

Edgar Filing: EATON VANCE MUNICIPAL INCOME TRUST - Form N-30D

income	1,304,245
Net unrealized depreciation (computed on the basis of identified cost)	(10,799,916)
-----	
NET ASSETS	\$333,940,587
-----	
Net assets applicable to preferred shares --	
Auction Preferred Shares at liquidation value	\$131,000,000
Cumulative undeclared dividends	10,938
-----	
NET ASSETS APPLICABLE TO PREFERRED SHARES	\$131,010,938
-----	
NET ASSETS APPLICABLE TO COMMON SHARES	\$202,929,649
-----	
TOTAL NET ASSETS	\$333,940,587
-----	
Net Asset Value Per Common Share	
-----	
(\$202,929,649 DIVIDED BY 16,341,127 COMMON SHARES ISSUED AND OUTSTANDING)	\$ 12.42
-----	

STATEMENT OF OPERATIONS

FOR THE SIX MONTHS ENDED  
MAY 31, 2001

Investment Income

Interest	\$10,870,381
-----	
TOTAL INVESTMENT INCOME	\$10,870,381
-----	

Expenses

Investment adviser fee	\$ 1,176,788
Administration fee	336,225
Trustees' fees and expenses	7,188
Preferred shares remarketing agent fee	163,301
Transfer and dividend disbursing agent fees	90,956
Custodian fee	85,454
Legal and accounting services	26,177
Printing and postage	23,528
Miscellaneous	33,770
-----	
TOTAL EXPENSES	\$ 1,943,387
-----	

Deduct --

Reduction of custodian fee	\$ 9,396
-----	
TOTAL EXPENSE REDUCTIONS	\$ 9,396
-----	

Edgar Filing: EATON VANCE MUNICIPAL INCOME TRUST - Form N-30D

NET EXPENSES	\$ 1,933,991
-----	
NET INVESTMENT INCOME	\$ 8,936,390
-----	
Realized and Unrealized Gain (Loss)	
-----	
Net realized gain (loss) --	
Investment transactions (identified cost basis)	\$ (3,984,188)
Financial futures contracts	(97,466)
Interest rate swap contracts	(525,600)
-----	
NET REALIZED LOSS	\$ (4,607,254)
-----	
Change in unrealized appreciation (depreciation) --	
Investments (identified cost basis)	\$11,558,270
Financial futures contracts	78,675
Interest rate swap contracts	43,800
-----	
NET CHANGE IN UNREALIZED APPRECIATION (DEPRECIATION)	\$11,680,745
-----	
NET REALIZED AND UNREALIZED GAIN	\$ 7,073,491
-----	
NET INCREASE IN NET ASSETS FROM OPERATIONS	\$16,009,881
-----	

SEE NOTES TO FINANCIAL STATEMENTS

8

EATON VANCE MUNICIPAL INCOME TRUST AS OF MAY 31, 2001

FINANCIAL STATEMENTS CONT'D

STATEMENTS OF CHANGES IN NET ASSETS

INCREASE (DECREASE) IN NET ASSETS	SIX MONTHS ENDED	
	MAY 31, 2001 (UNAUDITED)	YEAR ENDED NOVEMBER 30, 2000
-----		
From operations --		
Net investment income	\$ 8,936,390	\$ 17,621,668
Net realized loss	(4,607,254)	(14,544,619)
Net change in unrealized appreciation (depreciation)	11,680,745	18,789,011
-----		
NET INCREASE IN NET ASSETS FROM OPERATIONS	\$ 16,009,881	\$ 21,866,060
-----		
Distributions to shareholders --		
Preferred Shareholders --		

Edgar Filing: EATON VANCE MUNICIPAL INCOME TRUST - Form N-30D

From net investment income	\$	(2,391,929)	\$	(5,330,835)
Common Shareholders --				
From net investment income		(6,073,185)		(12,771,225)
-----				
TOTAL DISTRIBUTIONS TO SHAREHOLDERS	\$	(8,465,114)	\$	(18,102,060)
-----				
Capital share transactions --				
Reinvestment of distributions				
to shareholders	\$	705,037	\$	672,063
-----				
NET INCREASE IN NET ASSETS FROM CAPITAL				
SHARE TRANSACTIONS	\$	705,037	\$	672,063
-----				
NET INCREASE IN NET ASSETS	\$	8,249,804	\$	4,436,063
-----				
Net Assets				
-----				
At beginning of period	\$	325,690,783	\$	321,254,720
-----				
AT END OF PERIOD	\$	333,940,587	\$	325,690,783
-----				
Accumulated undistributed				
net investment income				
included in net assets				
-----				
AT END OF PERIOD	\$	1,304,245	\$	832,969
-----				

SEE NOTES TO FINANCIAL STATEMENTS

9

EATON VANCE MUNICIPAL INCOME TRUST AS OF MAY 31, 2001

FINANCIAL STATEMENTS CONT'D

FINANCIAL HIGHLIGHTS

SELECTED DATA FOR A COMMON SHARE OUTSTANDING DURING PERIODS STATED

	SIX MONTHS ENDED MAY 31, 2001 (UNAUDITED) (1)	YEAR ENDED NOVEMBER 30, ----- 2000 (1)                      1999 (1) (2)	
-----			
Net asset value -- Beginning of period (Common shares)	\$11.950	\$11.720	\$15.000
-----			
Income (loss) from operations			
-----			
Net investment income	\$ 0.548	\$ 1.083	\$ 0.837
Net realized and unrealized gain (loss)	0.442	0.260	(3.246)
-----			
TOTAL INCOME (LOSS) FROM OPERATIONS	\$ 0.990	\$ 1.343	\$(2.409)



Edgar Filing: EATON VANCE MUNICIPAL INCOME TRUST - Form N-30D

-----			
Less distributions			
-----			
Preferred Shareholders --			
From net investment income	\$ (0.147)	\$ (0.328)	\$ (0.197)
Common Shareholders --			
From net investment income	\$ (0.373)	\$ (0.785)	\$ (0.550)
-----			
TOTAL DISTRIBUTIONS	\$ (0.520)	\$ (1.113)	\$ (0.747)
-----			
PREFERRED AND COMMON SHARES			
OFFERING COSTS CHARGED TO			
PAID-IN CAPITAL	\$ --	\$ --	\$ (0.042)
-----			
PREFERRED SHARES UNDERWRITING			
DISCOUNTS	\$ --	\$ --	\$ (0.082)
-----			
NET ASSET VALUE -- END OF			
PERIOD (COMMON SHARES)	\$12.420	\$11.950	\$11.720
-----			
MARKET VALUE -- END OF PERIOD			
(COMMON SHARES)	\$12.470	\$11.125	\$11.688
-----			
TOTAL RETURN (3)	15.50%	2.05%	(18.74)%
-----			

SEE NOTES TO FINANCIAL STATEMENTS

10

EATON VANCE MUNICIPAL INCOME TRUST AS OF MAY 31, 2001

FINANCIAL STATEMENTS CONT'D

FINANCIAL HIGHLIGHTS

SELECTED DATA FOR A COMMON SHARE OUTSTANDING DURING PERIODS STATED

	SIX MONTHS ENDED MAY 31, 2001 (UNAUDITED) (1)	YEAR ENDED NOVEMBER 30, ----- 2000 (1)                      1999 (1) (2)	
-----			
Ratios/Supplemental Data+ ++			
-----			
Net assets, end of period (000's omitted)	\$333,941	\$325,691	\$321,255
Ratios (As a percentage of average net assets attributable to common shares):			
Net expenses (4)	1.91% (5)	1.95%	1.76% (5)
Net expenses after			

## Edgar Filing: EATON VANCE MUNICIPAL INCOME TRUST - Form N-30D

custodian fee			
reduction(4)	1.90%(5)	1.91%	1.70%(5)
Net investment income(4)	8.78%(5)	9.47%	7.38%(5)
Portfolio Turnover	38%	66%	151%
+ The expenses of the may Trust may reflect a reduction of the investment adviser fee. Had such action not been taken, the ratios and the net investment income per share would have been as follows:			
Ratios (As a percentage of			
average net assets			
attributable to common			
shares):			
Expenses			1.76%(5)
Expenses after custodian			
fee reduction			1.70%(5)
Net investment income			7.38%(5)
Net investment income per			
share			\$ 0.837

++ The ratios reported above are based on net assets attributable solely to common shares. The ratios based on the net assets, including amounts related to preferred shares, are as follows:

Ratios (As a percentage of			
average total net assets):			
Net expenses(4)	1.17%(5)	1.15%	1.14%(5)
Net expenses after			
custodian fee			
reduction(4)	1.16%(5)	1.12%	1.10%(5)
Net investment income(4)	5.35%(5)	5.56%	4.77%(5)
+ The expenses of the Trust may reflect a reduction of the investment adviser fee. Had such action not been taken, the ratios would have been as follows:			
Ratios (As a percentage of			
average total net assets):			
Expenses			1.14%(5)
Expenses after custodian			
fee reduction			1.10%(5)
Net investment income			4.77%(5)

### Senior Securities:

Total preferred shares			
outstanding	5,240	5,240	5,240
Asset coverage per			
preferred share	\$ 63,729	\$ 62,155	\$ 61,308
Involuntary liquidation			
preference per preferred			
share	\$ 25,000	\$ 25,000	\$ 25,000
Approximate market value			
per preferred share	\$ 25,000	\$ 25,000	\$ 25,000

- (1) Computed using average common shares outstanding.
- (2) For the period from the start of business, January 29, 1999, to November 30, 1999.
- (3) Total return is calculated assuming a purchase at the current market price on the first day and a sale at the current market price on the last day of each period reported. Dividends and distributions, if any, are assumed reinvested at the net asset value on the reinvestment date. Total return is not computed on an annualized basis.
- (4) Ratios do not reflect the effect of dividend payments to preferred shareholders. Ratios to average net assets attributable to common shares reflect the Trust's leveraged capital structure.
- (5) Annualized.

## Edgar Filing: EATON VANCE MUNICIPAL INCOME TRUST - Form N-30D

- (6) Calculated by subtracting the Trust's total liabilities (not including the preferred shares) from the Trust's total asset, and dividing this by the number of preferred shares outstanding.
- (7) Plus accumulated and unpaid dividends.

SEE NOTES TO FINANCIAL STATEMENTS

11

EATON VANCE MUNICIPAL INCOME TRUST AS OF MAY 31, 2001

NOTES TO FINANCIAL STATEMENTS (UNAUDITED)

### 1 Significant Accounting Policies

-----  
Eaton Vance Municipal Income Trust (the Trust) is an entity commonly known as a Massachusetts business trust and is registered under the Investment Company Act of 1940 as a non-diversified, closed-end management investment company. The Trust was organized under the laws of the Commonwealth of Massachusetts by an Agreement and Declaration of Trust dated December 10, 1998. The Trust's investment objective is to achieve current income exempt from regular federal income tax by investing primarily in investment grade municipal obligations.

The following is a summary of significant accounting policies consistently followed by the Trust in the preparation of its financial statements. The policies are in conformity with generally accepted accounting principles.

- A Investment Valuation -- Municipal bonds are normally valued on the basis of valuations furnished by a pricing service. Taxable obligations, if any, for which price quotations are readily available are normally valued at the mean between the latest bid and asked prices. Futures contracts listed on the commodity exchanges are valued at closing settlement prices. Short-term obligations, maturing in sixty days or less, are valued at amortized cost, which approximates value. Investments for which valuations or market quotations are unavailable are valued at fair value using methods determined in good faith by or at the direction of the Trustees.
- B Investment Transactions -- Investment transactions are recorded on a trade date basis. Realized gains and losses from such transactions are determined using the specific identification method. Securities purchased or sold on a when-issued or delayed delivery basis may be settled a month or more after the transaction date. The securities so purchased are subject to market fluctuations during this period. To the extent that when-issued or delayed delivery purchases are outstanding, the Trust instructs the custodian to segregate assets in a separate account, with a current value at least equal to the amount of its purchase commitments.
- C Income -- Interest income is determined on the basis of interest accrued, adjusted for amortization of premium or discount on long-term debt securities when required for federal income tax purposes. The Trust will adopt the provision of the AICPA Audit and Accounting Guide for Investment Companies, as revised, effective for fiscal years beginning after December 15, 2000. As required, the Trust will begin accreting market discounts on debt securities effective December 1, 2001. Prior to this date, the Trust did not accrete market discounts on debt securities. The cumulative effect of this accounting change will have no impact on the total net assets of the Trust. The impact of this accounting change has not been determined but will result in an increase to cost of securities and a corresponding increase in net unrealized depreciation based on securities held as of May 31, 2001.
- D Federal Income Taxes -- The Trust's policy is to comply with the provisions of the Internal Revenue Code applicable to regulated investment companies and

## Edgar Filing: EATON VANCE MUNICIPAL INCOME TRUST - Form N-30D

to distribute to shareholders each year all of its taxable, if any, and tax-exempt income, including any net realized gain on investments. Therefore, no provision for federal income or excise tax is necessary. At November 30, 2000, the Trust, for federal income tax purposes, had a capital loss carryover of \$25,572,504 which will reduce the taxable income arising from future net realized gain on investments, if any, to the extent permitted by the Internal Revenue Code and thus will reduce the amount of distributions to shareholders which would otherwise be necessary to relieve the Trust of any liability for federal income or excise tax. Such capital loss carryover will expire on November 30, 2007 (\$10,949,210) and November 30, 2008 (\$14,623,294). In addition, the Trust intends to satisfy conditions which will enable it to designate distributions from the interest income generated by its investments in municipal obligations, which are exempt from regular federal income taxes when received by the Trust, as exempt-interest dividends. The portion of such interest, if any, earned on private activity bonds issued after August 7, 1986, may be considered a tax preference item for investors.

E Organization and Offering Costs -- Costs incurred by the Trust in connection with its organization have been expensed. Costs incurred by the Trust in connection with the offerings of the common shares and preferred shares were recorded as a reduction of capital paid in excess of par applicable to common shares.

F Financial Futures Contracts -- Upon the entering of a financial futures contract, the Trust is required to deposit (initial margin) either in cash or securities an amount equal to a certain percentage of the purchase price indicated in the financial futures contract. Subsequent payments are made or received by the Trust (margin maintenance) each day, dependent on the daily fluctuations in the value of the underlying security, and are recorded for book purposes as unrealized gains or losses by the Trust. The Trust's investment in financial futures contracts is designed for both hedging against

12

EATON VANCE MUNICIPAL INCOME TRUST AS OF MAY 31, 2001

NOTES TO FINANCIAL STATEMENTS (UNAUDITED) CONT'D

anticipated future changes in interest rates and investment purposes. Should interest rates move unexpectedly, the Trust may not achieve the anticipated benefits of the financial futures contracts and may realize a loss.

G Options on Financial Futures Contracts -- Upon the purchase of a put option on a financial futures contract by the Trust, the premium paid is recorded as an investment, the value of which is marked-to-market daily. When a purchased option expires, the Trust will realize a loss in the amount of the cost of the option. When the Trust enters into a closing sale transaction, the Trust will realize a gain or loss depending on whether the sales proceeds from the closing sale transaction are greater or less than the cost of the option. When the Trust exercises a put option, settlement is made in cash. The risk associated with purchasing put options is limited to the premium originally paid.

H Use of Estimates -- The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of income and expense during the reporting period. Actual results could differ from those estimates.

## Edgar Filing: EATON VANCE MUNICIPAL INCOME TRUST - Form N-30D

- I Interest Rate Swaps -- The Trust has entered into interest rate swap agreements to enhance return, to hedge against fluctuations in securities prices or interest rates or as substitution for the purchase or sale of securities. Pursuant to these agreements the Trust makes monthly payments at a rate equal to a predetermined spread to the one-month LIBOR. In exchange, the Trust receives payments based on the rate of return of a benchmark industry index. During the term of the outstanding swap agreement, changes in the underlying value of the swap are recorded as unrealized gains and losses. Payments received or made at end of measurement period are recorded as realized gains and losses. The value of the swap is determined by changes in the relationship between two rates of interest. The Trust is exposed to credit loss in the event of non-performance by the swap counterparty. However, the Trust does not anticipate non-performance by the counterparty. Risk may also arise from the unanticipated movements in value of interest rates.
- J Expense Reduction -- Investors Bank & Trust Company (IBT) serves as custodian of the Trust. Pursuant to the custodian agreement, IBT receives a fee reduced by credits which are determined based on the average daily cash balance the Trust maintains with IBT. All significant credit balances used to reduce the Trust's custodian fees are reported as a reduction of total expenses in the Statement of Operations.
- K Interim Financial Statements -- The interim financial statements relating to May 31, 2001 and for the six months then ended have not been audited by independent certified public accountants, but in the opinion of the Trust's management reflect all adjustments, consisting only of normal recurring adjustments, necessary for the fair presentation of the financial statements.

### 2 Auction Preferred Shares (APS)

---

The Trust issued 2,620 shares of Auction Preferred Shares Series A and 2,620 shares of Auction Preferred Shares Series B on March 1, 1999 in a public offering. The underwriting discount and other offering costs were recorded as a reduction of the capital of the common shares. Dividends on the APS, which accrue daily, are cumulative at a rate which was established at the offering of the APS and have been reset every 7 days thereafter by an auction. Dividend rates ranged from 3.00% to 5.19% and from 2.90% to 4.80% for Series A and Series B Shares respectively, during the six months ended May 31, 2001. Series A and Series B are identical in all respects except for the dates of reset for the dividend rates.

The APS are redeemable at the option of the Trust, at a redemption price equal to \$25,000 per share, plus accumulated and unpaid dividends on any dividend payment date. The APS are also subject to mandatory redemption at a redemption price equal to \$25,000 per share, plus accumulated and unpaid dividends, if the Trust is in default on its asset maintenance requirements with respect to the APS. If the dividends on the APS shall remain unpaid in an amount equal to two full years' dividends, the holders of the APS as a class have the right to elect a majority of the Board of Trustees. In general, the holders of the APS and the common shares have equal voting rights of one vote per share, except that the holders of the APS, as a separate class, have the right to elect at least two members of the Board of Trustees. The APS have a liquidation preference of \$25,000 per share, plus accumulated and unpaid dividends. The Trust is required to maintain certain asset coverage with respect to the APS as defined in the Trust's By-Laws. The Trust pays annual fees equivalent to 0.25% of the preferred shares' liquidation value for the remarketing efforts associated with the preferred auctions.

# Edgar Filing: EATON VANCE MUNICIPAL INCOME TRUST - Form N-30D

EATON VANCE MUNICIPAL INCOME TRUST AS OF MAY 31, 2001

NOTES TO FINANCIAL STATEMENTS (UNAUDITED) CONT'D

## 3 Distributions to Shareholders

---

The Trust intends to make monthly distributions of net investment income, after payment of any dividends on any outstanding preferred shares. Distributions are recorded on the ex-dividend date. Distributions to preferred shareholders are recorded daily and are payable at the end of each dividend period. Each dividend payment period for the Auction Preferred Shares is generally seven days. The applicable dividend rate for the Auction Preferred Shares on May 31, 2001 was 3.05% and 2.90%, for Series A and Series B Shares, respectively. For the six months ended May 31, 2001, the Trust paid dividends to Auction Preferred shareholders amounting to \$1,207,610 and \$1,184,319 for Series A and Series B Shares, respectively, representing an average APS dividend rate for such period of 3.67% and 3.63%, respectively.

## 4 Investment Adviser Fee and Other Transactions with Affiliates

---

The investment adviser fee, computed at an annual rate of 0.70% of the Trust's average weekly gross assets, was earned by Eaton Vance Management (EVM) as compensation for management and investment advisory services rendered to the Trust. Except for Trustees of the Trust who are not members of EVM's organization, officers and Trustees receive remuneration for their services to the Trust out of such investment adviser fee. For the six months ended May 31, 2001, the fee was equivalent to 0.70% of the Trust's average weekly gross assets and amounted to \$1,176,788. EVM also serves as the administrator of the Trust. An administration fee, computed at the annual rate of 0.20% of the average weekly gross assets of the Trust is paid to EVM for managing and administering business affairs of the Trust. For the six months ended May 31, 2001, the administrative fee amounted to \$336,225.

Trustees of the Trust that are not affiliated with the Investment Adviser may elect to defer receipt of all or a percentage of their annual fees in accordance with the terms of the Trustees Deferred Compensation Plan. For the six months ended May 31, 2001, no significant amounts have been deferred.

Certain officers and Trustees of the Trust are officers of EVM.

## 5 Investments

---

Purchases and sales of investments, other than U.S. Government securities and short-term obligations, aggregated \$125,823,567 and \$124,684,520, respectively, for the six months ended May 31, 2001.

## 6 Federal Income Tax Basis of Investments

---

The cost and unrealized appreciation (depreciation) in value of the investments owned by the Trust at May 31, 2001, as computed for Federal income tax purposes, are as follows:

AGGREGATE COST	\$341,338,691
<hr/>	
Gross unrealized appreciation	\$ 7,063,147
Gross unrealized depreciation	(17,863,063)
<hr/>	
NET UNREALIZED DEPRECIATION	\$(10,799,916)
<hr/>	

Edgar Filing: EATON VANCE MUNICIPAL INCOME TRUST - Form N-30D

7 Shares of Beneficial Interest

The Declaration of Trust permits the Trustees to issue an unlimited number of full and fractional \$0.01 par value common shares. Transactions in common shares were as follows:

	SIX MONTHS ENDED	
	MAY 31, 2001	YEAR ENDED
	(UNAUDITED)	NOVEMBER 30, 2000
Shares issued pursuant to the Trust's dividend reinvestment plan	56,166	61,394
NET INCREASE	56,166	61,394

8 Financial Instruments

The Trust regularly trades in financial instruments with off-balance sheet risk in the normal course of its investing activities to assist in managing exposure to various market risks. These financial instruments include futures contracts and may involve, to a varying degree, elements of risk in excess of the amounts recognized for financial statement purposes. The notional or contractual amounts of these instruments represent the investment the Trust has in particular classes of financial instruments and does not necessarily represent the amounts potentially subject to risk. The measurement of the risks associated with these instruments is meaningful only when all related and offsetting transactions are considered.

14

EATON VANCE MUNICIPAL INCOME TRUST AS OF MAY 31, 2001

NOTES TO FINANCIAL STATEMENTS (UNAUDITED) CONT'D

The Trust did not have any open obligations under these financial instruments at May 31, 2001.

9 Annual Meeting of Shareholders (Unaudited)

The Trust held its Annual Meeting of Shareholders on March 23, 2001. The following actions were taken by the shareholders:

ITEM 1: The election of James B. Hawkes and Samuel L. Hayes, III as Trustees of the Trust, for a three-year term expiring in 2004. Mr. Hayes was designated the Nominee to be elected solely by APS shareholders:

NOMINEE FOR TRUSTEE ELECTED BY APS SHAREHOLDERS	NUMBER OF SHARES	
	FOR	WITHHELD
Samuel L. Hayes, III	5,230	5

## Edgar Filing: EATON VANCE MUNICIPAL INCOME TRUST - Form N-30D

NOMINEE FOR TRUSTEE ELECTED BY ALL SHAREHOLDERS	NUMBER OF SHARES	
	FOR	WITHHELD
James B. Hawkes	15,868,291	232,431

Also serving as Trustees are Jessica M. Bibliowicz, Donald R. Dwight, Norton H. Reamer, Lynn A. Stout and Jack L. Treynor.

ITEM 2: The ratification of the selection of Deloitte & Touche LLP as independent certified public accountants to the Trust for the fiscal year ending November 30, 2001.

	NUMBER OF SHARES	
For	15,809,474	
Against	70,900	
Abstain	197,753	

15

### DIVIDEND REINVESTMENT PLAN

The Trust offers a dividend reinvestment plan (the Plan) pursuant to which shareholders automatically have dividends and capital gains distributions reinvested in common shares (the Shares) of the Trust unless they elect otherwise through their investment dealer. On the distribution payment date, if the net asset value per Share is equal to or less than the market price per Share plus estimated brokerage commissions then new Shares will be issued. The number of Shares shall be determined by the greater of the net asset value per Share or 95% of the market price. Otherwise, Shares generally will be purchased on the open market by the Plan Agent. Distributions subject to income tax (if any) are taxable whether or not shares are reinvested.

If your shares are in the name of a brokerage firm, bank, or other nominee, you can ask the firm or nominee to participate in the Plan on your behalf. If the nominee does not offer the Plan, you will need to request that your shares be re-registered in your name with the Trust's transfer agent, PFPC, Inc. or you will not be able to participate.

The Plan Agent's service fee for handling distributions will be paid by the Trust. Each participant will be charged their pro rata share of brokerage commissions on all open-market purchases.

Plan participants may withdraw from the Plan at any time by writing to the Plan Agent at the address noted on the following page. If you withdraw, you will receive shares in your name for all Shares credited to your account under the Plan. If a participant elects by written notice to the Plan Agent to have the Plan Agent sell part or all of his or her Shares and remit the proceeds, the Plan Agent is authorized to deduct a \$5.00 fee plus brokerage commissions from the proceeds.

If you wish to participate in the Plan and your shares are held in your own name, you may complete the form on the following page and deliver it to the Plan Agent.



Edgar Filing: EATON VANCE MUNICIPAL INCOME TRUST - Form N-30D

Any inquires regarding the Plan can be directed to the Plan Agent, PFPC, Inc.

16

APPLICATION FOR PARTICIPATION IN DIVIDEND REINVESTMENT PLAN

This form is for shareholders who hold their common shares in their own names. If your common shares are held in the name of a brokerage firm, bank, or other nominee, you should contact your nominee to see if it will participate in the Plan on your behalf. If you wish to participate in the Plan, but your brokerage firm, bank, or nominee is unable to participate on your behalf, you should request that your common shares be re-registered in your own name which will enable your participation in the Plan.

The following authorization and appointment is given with the understanding that I may terminate it at any time by terminating my participation in the Plan as provided in the terms and conditions of the Plan.

-----  
Please print exact name on account:  
-----

Shareholder signature \_\_\_\_\_ Dat

Shareholder signature \_\_\_\_\_ Dat

Please sign exactly as your common shares a  
All persons whose names appear on the share  
must sign.

YOU SHOULD NOT RETURN THIS FORM IF YOU WISH TO RECEIVE YOUR DIVIDENDS AND DISTRIBUTIONS IN CASH. THIS IS NOT A PROXY.

THIS AUTHORIZATION FORM, WHEN SIGNED, SHOULD BE MAILED TO THE FOLLOWING ADDRESS:

Eaton Vance Municipal Income Trust  
c/o PFPC, Inc.  
P.O. Box 8030  
Boston, MA 02266-8030  
800-331-1710

-----  
NUMBER OF EMPLOYEES

The Trust is organized as a Massachusetts business trust and is registered under the Investment Company Act of 1940, as amended, as a closed-end, non-diversified, management investment company and has no employees.

NUMBER OF SHAREHOLDERS

As of May 31, 2001, our records indicate that there are 196 registered shareholders and approximately 7,250 shareholders owning the Trust shares in street name, such as through brokers, banks, and financial intermediaries.

If you are a street name shareholder and wish to receive our reports directly, which contain important information about the Trust, please write or call:

Eaton Vance Distributors, Inc.  
The Eaton Vance Building

Edgar Filing: EATON VANCE MUNICIPAL INCOME TRUST - Form N-30D

255 State Street  
Boston, MA 02109  
1-800-225-6265

NEW YORK STOCK EXCHANGE SYMBOL

The New York Stock Exchange symbol is EVN.

17

EATON VANCE MUNICIPAL INCOME TRUST AS OF MAY 31, 2001

INVESTMENT MANAGEMENT

EATON VANCE MUNICIPAL INCOME TRUST

Officers

Thomas J. Fetter  
President

James B. Hawkes  
Vice President and Trustee

Robert B. MacIntosh  
Vice President

Thomas M. Metzold  
Vice President and  
Portfolio Manager

James L. O'Connor  
Treasurer

Alan R. Dynner  
Secretary

Trustees

Jessica M. Bibliowicz  
President and Chief Executive Officer,  
National Financial Partners

Donald R. Dwight  
President, Dwight Partners, Inc.

Samuel L. Hayes, III  
Jacob H. Schiff Professor of Investment  
Banking Emeritus, Harvard University  
Graduate School of Business Administration

Norton H. Reamer  
Chairman and Chief Operating Officer,  
Hellman, Jordan Management Co., Inc.  
President, Jordan Simmons Capital LLC  
and Unicorn Corporation

Lynn A. Stout  
Professor of Law,  
University of California at Los Angeles

Jack L. Treynor

## Edgar Filing: EATON VANCE MUNICIPAL INCOME TRUST - Form N-30D

Investment Adviser and Consultant

18

INVESTMENT ADVISER AND ADMINISTRATOR OF  
EATON VANCE MUNICIPAL INCOME TRUST  
Eaton Vance Management  
The Eaton Vance Building  
255 State Street  
Boston, MA 02109

CUSTODIAN  
INVESTORS BANK & TRUST COMPANY  
200 Clarendon Street  
Boston, MA 02116

TRANSFER AGENT AND DIVIDEND DISBURSING AGENT  
PFPC, INC.  
Attn: Eaton Vance Municipal Income Trust  
P.O. Box 8030  
Boston, MA 02266-8030  
(800) 331-1710

EATON VANCE FUNDS  
EATON VANCE MANAGEMENT  
BOSTON MANAGEMENT AND RESEARCH  
EATON VANCE DISTRIBUTORS, INC.

### PRIVACY NOTICE

The Eaton Vance organization is committed to ensuring your financial privacy. This notice is being sent to comply with privacy regulations of the Securities and Exchange Commission. Each of the above financial institutions has in effect the following policy with respect to nonpublic personal information about its customers:

- Only such information received from you, through application forms or otherwise, and information about your Eaton Vance fund transactions will be collected.
- None of such information about you (or former customers) will be disclosed to anyone, except as permitted by law (which includes disclosure to employees necessary to service your account).
- Policies and procedures (including physical, electronic and procedural safeguards) are in place that are designed to protect the confidentiality of such information.

For more information about Eaton Vance's privacy policies, call: 1-800-262-1122

Edgar Filing: EATON VANCE MUNICIPAL INCOME TRUST - Form N-30D

EATON VANCE MUNICIPAL INCOME TRUST  
THE EATON VANCE BUILDING  
255 STATE STREET  
BOSTON, MA 02109

151-7/01

CE-NASRC