

BLACKROCK MUNICIPAL INCOME TRUST
Form N-Q
March 29, 2007

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: 811-10339

BlackRock Municipal Income Trust
(Exact name of registrant as specified in charter)

100 Bellevue Parkway, Wilmington, DE
(Address of principal executive offices)

19809
(Zip code)

Robert S. Kapito, President
BlackRock Municipal Income Trust
40 East 52nd Street, New York, NY 10022

(Name and address of agent for service)

Registrant's telephone number, including area code: 888-825-2257

Date of fiscal year end: October 31, 2007

Date of reporting period: January 31, 2007

Item 1. Schedule of Investments.

The Registrant's unaudited schedule of investments as of the close of the reporting period pursuant to Rule 30b1-5 under the Investment Company Act of 1940 is as follows:

PORTFOLIO OF INVESTMENTS (unaudited)
JANUARY 31, 2007
BlackRock Municipal Income Trust (BFK)
(Percentage of Net Assets)

| Rating ¹ | Principal Amount (000) | Description |
|---------------------|---------------------------|---|
| | | LONG-TERM INVESTMENTS 154.3% |
| | | Alabama 3.9% |
| AAA | \$ 1,865 | Birmingham Wtr. Wks. & Swr. Brd., Wtr. Util. Impvt. Wtr. RB, Ser. A, 4.50%, 1/01/35, FSA |
| A2 | 15,000 | Huntsville Hlth. Care Auth., Hlth., Hosp. & Nursing Home Impvts. RB, Ser. B, 5.75%, 6/01/32 |
| | | Spl. Care Facs. Fing. Auth. Birmingham, Hlth., Hosp. & Nursing Home RB, Ascension Hlth. Proj., |
| AA+ | 4,545 | Ser. C-2, 5.00%, 11/15/36 |
| AA+ | 3,260 | Ser. C-2, 5.00%, 11/15/39 |
| | | Arizona 1.1% |
| A3 | 7,000 | Scottsdale Inld. Dev. Auth., Hlth., Hosp. & Nursing Home RB, Scottsdale Hlth. Care Proj., 5.80%, 12/01/11 |
| | | California 15.4% |
| A+ | 7,000 | California GO, 5.00%, 6/01/34 |
| NR | 3,175 | City of Lincoln, Pub. Impvts. ST, 6.00%, 9/01/34 |
| | | Cnty. Tobacco Sec. Agcy., Tobacco Settlement Funded RB, |
| BBB- | 3,385 | Ser. B, Zero Coupon, 6/01/46 |
| BB | 17,855 | Ser. C, Zero Coupon, 6/01/55 |
| NR | 22,825 | Stanislaus Cnty. Proj., Ser. D, Zero Coupon, 6/01/55 |
| | | Foothill Eastn. Transp. Corridor Agcy., Hwy. Tolls RB, |
| BBB | 54,635 | Zero Coupon, 1/15/32 |
| BBB | 20,535 | Zero Coupon, 1/15/34 |
| BBB | 75,000 | Zero Coupon, 1/15/38 |
| | | Golden St. Tobacco Sec. Corp., |
| BBB | 10,000 | Misc. Purps. Tobacco Settlement Funded RB, Ser. A-1, 6.625%, 6/01/40 |
| A | 5,000 | Tobacco Settlement Funded RB, Ser. A, 5.00%, 6/01/45 |
| AAA | 13,320 | Los Angeles Regl. Arpts. Impvt. Corp., Lease Facs. RB, LAXfuel Corp., Los Angeles Intl. Arpt. Proj., 5.50%, 1/01/32, AMBAC, AMT |
| NR | 5,000 | Murrieta Cmnty. Facs. Dist. No. 2, Econ. Impvts. ST, The Oaks Impvt. Area A Proj., 6.00%, 9/01/34 |
| A+ | 5,000 | Statewide Cmnty. Dev. Auth., Hlth., Hosp. & Nursing Home RB, Mem. Hlth. Svcs. Proj., Ser. A, 5.50%, 10/01/33 |
| | | Univ. of California, Univ. & Coll. Impvts. RB, |
| AA- | 10,565 | Ser. B, 4.75%, 5/15/38 |
| AAA | 5,000 | Ser. C, 4.75%, 5/15/37, MBIA |
| AAA | 4,015 | West Valley-Mission Cmnty. Coll. Dist., Univ. & Coll. Impvts. Ad Valorem Ppty. Tax GO, |

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Election 2004, 4.75%, 8/01/30, FSA

Colorado 1.3%

| | | |
|------|-------|---|
| AAA | 2,545 | City of Colorado Springs, Mult. Util. Impvts. RB, Ser. C, 5.00%, 11/15/45, FSA |
| BBB | 3,500 | Denver Hlth. & Hosp. Auth., Hlth., Hosp. & Nursing Home Impvts. RB, Ser. A, 6.00%, 12/01/31 |
| Baa2 | 2,530 | Park Creek Met. Dist., Ppty. Tax Misc. RB, 5.50%, 12/01/37 |

District of Columbia 6.4%

District of Columbia,

| | | |
|-----|--------|--|
| A | 2,390 | Misc. RB, Friendship Pub. Charter Sch. Proj., 5.25%, 6/01/33, ACA |
| AAA | 15,600 | Univ. & Coll. Impvts. RB, Georgetown Univ. Proj., Ser. A, Zero Coupon, 4/01/36, MBIA |
| AAA | 51,185 | Univ. & Coll. Impvts. RB, Georgetown Univ. Proj., Ser. A, Zero Coupon, 4/01/37, MBIA |
| BBB | 25,535 | Tobacco Settlement Fing. Corp., Tobacco Settlement Funded RB, 6.75%, 5/15/40 |

Florida 12.1%

| | | |
|-----|--------|--|
| NR | 3,945 | Bellalago Edl. Facs. Benefit Dist., Sch. Impvts. SA, Ser. B, 5.80%, 5/01/34 |
| AAA | 10,830 | Cnty. of Orange, Sales Tax RB, 4.75%, 10/01/32, XLCA |
| NR | 1,975 | Heritage Isle at Viera Cmnty. Dev. Dist., Wtr. Util. Impvts. SA, Ser. A, 6.00%, 5/01/35 |
| A+ | 9,6703 | Highlands Cnty. Hlth. Facs. Auth., Hlth., Hosp. & Nursing Home RB, Adventist Hlth. Sys./Sunbelt Proj., Ser. A, 6.00%, 11/15/11 |

BlackRock Municipal Income Trust (BFK) (continued)
(Percentage of Net Assets)

| Rating1 | Principal Amount (000) | Description |
|-------------------------|------------------------|---|
| Florida (cont'd) | | |
| | | JEA, |
| AAA | \$ 11,035 | Elec., Pwr. & Lt. Impvts. RB., Ser. 3A, 4.75%, 10/01/34, FSA |
| AAA | 3,070 | Wtr. Util. Impvts. Wtr. RB, Ser. A, 4.75%, 10/01/36, MBIA |
| AAA | 2,900 | Wtr. Util. Impvts. Wtr. RB, Ser. A, 4.75%, 10/01/41, MBIA |
| BB+ | 9,000 | Martin Cnty. Incl. Dev. Auth., Incl. RB, Indiantown Cogeneration Proj., Ser. A, 7.875%, 12/15/25, AMT |
| BB+ | 11,685 | Miami Beach Hlth. Facs. Auth., Hlth., Hosp. & Nursing Home Impvts. RB, Mt. Sinai Med. Ctr. Proj., 6.75%, 11/15/21 |
| NR | 3,925 | Stevens Plantation Cmnty. Dev. Dist., Pub. Impvts. SA, Ser. A, 7.10%, 5/01/35 |
| NR | 9,110 | Vlg. Cmnty. Dev. Dist. No. 6, Pub. Impvts. SA, 5.625%, 5/01/22 |
| Georgia 0.6% | | |
| BBB | 4,000 | Richmond Cnty. Dev. Auth., Rec. Recovery RB, Intl. Paper Co. Proj., Ser. A, 6.00%, 2/01/25, AMT |
| Idaho 2.7% | | |
| AAA | 16,970 | Univ. of Idaho, Univ. & Coll. Impvts. RB, Student Fee Hsg. Impvt. Proj., 5.40%, 4/01/41, FGIC |
| Illinois 14.4% | | |
| NR | 4,6304 | Centerpoint Intermodal Ctr. Prog. Trust TA, Ser. A, 8.00%, 6/15/23 |
| AAA | 7,645 | Chicago O'Hare Intl. Arpt., Port, Arpt. & Marina RB, Ser. C-2, 5.25%, 1/01/30, FSA, AMT |
| AA+ | 760 | Edl. Facs. Auth., Univ. & Coll. Impvts RB, Ser. A, 5.25%, 7/01/41 |
| AAA | 10,0003 | Student Hsg. Edl. Advancement Fund Univ. Ctr. Proj., 6.25%, 5/01/12 |
| BBB | 7,000 | Student Hsg. Edl. Advancement Fund Univ. Ctr. Proj., 6.25%, 5/01/34 |
| | | Fin. Auth., |
| A+ | 7,1453 | Cash Flow Mgt., Hlth., Hosp. & Nursing Home RB, Adventist Hlth. Sys. Sunbelt Oblig. Proj., 5.65%, 11/15/09 |
| BB+ | 1,685 | Hlth., Hosp. & Nursing Home RB, Friendship Vlg. Schaumburg Proj., Ser. A, 5.625%, 2/15/37 |
| AA+ | 3,700 | Hlth., Hosp. & Nursing Home RB, Northwestern Mem. Hosp. Proj., Ser. A, 5.50%, 8/15/43 |
| BBB | 4,235 | Univ. & Coll. Impvts. RB, Edl. Advancement Proj., Ser. B, 5.00%, 5/01/25 |
| BBB | 3,395 | Univ. & Coll. Impvts. RB, Edl. Advancement Proj., Ser. B, 5.00%, 5/01/30 |
| Baa2 | 2,100 | Univ. & Coll. Impvts. RB, MJH Ed. Asst. LLC Proj., Ser. A, 5.125%, 6/01/35 |
| Baa3 | 1,675 | Univ. & Coll. Impvts. RB, Student Hsg. MJH Ed. Asst. Living Proj., Ser. B, 5.375%, 6/01/35 |
| | | Hlth. Facs. Auth., Hlth., Hosp. & Nursing Home RB, Elmhurst Mem. Hosp. Proj., |
| A | 5,000 | 5.50%, 1/01/22 |
| A | 6,000 | 5.625%, 1/01/28 |
| AAA | 40,000 | Met. Pier & Exposition Auth., Pub. Impvts. Sales Tax RB, McCormick Place Expansion Proj., Ser. A, Zero Coupon, 12/15/34, MBIA |
| AAA | 10,090 | Mun. Elec. Agcy. Pwr. Sply., Elec., Pwr. & Lt. RB, 4.50%, 2/01/35, FGIC |
| AAA | 7,120 | Vlg. of Bolingbrook, Pub. Impvts. Ad Valorem Ppty. Tax GO, Ser. B, Zero Coupon, 1/01/33, FGIC |

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AAA 14,085 Zero Coupon, 1/01/34, FGIC

Indiana 7.0%

A- 9,000 Hlth. Fac. Fing. Auth., Hlth., Hosp. & Nursing Home RB, Methodist Hosp., Inc. Proj.,
5.50%, 9/15/31

AAA 7,750 Mun. Pwr. Agcy. Pwr. Sply. Sys., Elec., Pwr. & Lt. Impvts. RB, Ser. A, 4.50%, 1/01/32,
AMBAC

Petersburg, Rec. Recovery Impvts. RB, Indianapolis Pwr. & Lt. Conv. Proj.,

BBB+ 10,000 5.90%, 12/01/24, AMT

BBB+ 16,000 5.95%, 12/01/29, AMT

BlackRock Municipal Income Trust (BFK) (continued)
(Percentage of Net Assets)

| Rating1 | Principal Amount (000) | Description |
|----------------------------------|------------------------|---|
| Indiana 0.6% | | |
| NR | \$ 2,390 | Vincennes, Econ. Dev. RB, Southwest Indiana Regl. Youth Proj., 6.25%, 1/01/24 |
| Kentucky 0.6% | | |
| AAA | 4,140 | Hsg. Corp., St. Hsg. RB, Ser. F, 5.45%, 1/01/32, AMT |
| Louisiana 2.0% | | |
| A | 9,215 | Local Gov't. Env. Facs. & Cmnty. Dev. Auth., Pub. Impvts. Misc. RB, Cap. Projs. & Equip. Acquisition Proj., 6.55%, 9/01/25, ACA |
| Aaa | 3,260 | St. Tammany Parish Fin. Auth., Sngl. Fam. Hsg. RB, Home Ownership Prog., Ser. A, 5.25%, 12/01/39 |
| Maryland 0.7% | | |
| A3 | 4,205 | Hlth. & Higher Edl. Facs. Auth., Hlth., Hosp. & Nursing Home Impvts. RB, Medstar Hlth., Inc. Proj., 5.50%, 8/15/33 |
| Massachusetts 1.1% | | |
| AA | 6,770 | Wtr. Recs. Auth., Wtr. RB, Ser. A, 5.00%, 8/01/41 |
| Michigan 0.7% | | |
| A1 | 4,230 | Hosp. Fin. Auth., Hlth., Hosp. & Nursing Home RB, Henry Ford Hlth. Sys. Proj., Ser. A, 5.25%, 11/15/46 |
| Mississippi 3.8% | | |
| BBB+ | 6,460 | Business Fin. Comm., Incl. Impvts. RB, Northrop Grumman Ship Sys. Proj., 4.55%, 12/01/28 |
| A | 18,680 | Gulfport, Hlth., Hosp. & Nursing Home Impvts. RB, Mem. Hosp. at Gulfport Proj., Ser. A, 5.75%, 7/01/31 |
| Missouri 0.1% | | |
| AAA | 695 | Joint Mun. Elec. Util. Comm., Elec., Pwr. & Lt. Impvts. RB, Plum Point Proj., 4.60%, 1/01/36, MBIA |
| Multi-State 6.9% | | |
| Charter Mac Equity Issuer Trust, | | |
| A3 | 1,0004 | Ser. A, 6.625%, 6/30/49 |
| A3 | 11,0004 | Ser. A-2, 6.30%, 6/30/49 |
| A3 | 16,0004 | Ser. A-3, 6.80%, 10/01/52 |
| Baa1 | 6,5004 | Ser. B-1, 6.80%, 11/30/50 |
| A3 | 8,0004 | MuniMae TE Bond Subsidiary LLC, Ser. A, 6.875%, 6/30/49 |
| Nebraska 1.1% | | |
| AA | 6,990 | Omaha Pub. Pwr. Dist., Elec., Pwr. & Lt. Impvts. RB, Ser. A, 4.75%, 2/01/44 |
| Nevada 2.5% | | |
| Cnty. of Clark, | | |
| AAA | 5,000 | Port, Arpt. & Marina RB, Jet Aviation Fuel Tax Proj., Ser. C, 5.00%, 7/01/40, AMBAC |
| A+ | 5,260 | Private Schs. RB, Alexander Dawson Sch. Proj., 5.00%, 5/15/29 |
| AAA | 6,000 | Truckee Meadows Wtr. Auth., Wtr. RB, 4.875%, 7/01/34, XLCA |
| New Hampshire 1.2% | | |

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| | | |
|------------------------|--------|---|
| Aaa | 4,000 | Bus. Fin. Auth., Incl. RB, Pub. Svc. Co. Proj., Ser. B, 4.75%, 5/01/21, MBIA, AMT |
| A+ | 3,500 | Hlth. & Ed. Facs. Auth., Hlth., Hosp. & Nursing Home RB, Exeter Hosp. Proj., 5.75%, 10/01/31 |
| New Jersey 8.9% | | |
| | | Econ. Dev. Auth., |
| BBB | 18,500 | Econ. Impvts. Misc. RB, Cigarette Tax Proj., 5.75%, 6/15/29 |
| B | 15,410 | Port, Arpt. & Marina Impvts. RB, Continental Airlines, Inc. Proj., 7.00%, 11/15/30, AMT |
| Baa3 | 8,000 | SA, Kapkowski Rd. Landfill Proj., 6.50%, 4/01/28 |
| NR | 3,680 | Middlesex Cnty. Impvt. Auth., Pub. Impvts. Hotel Occupancy Tax RB, Heldrich Associates LLC Proj., Ser. B, 6.25%, 1/01/37 |

BlackRock Municipal Income Trust (BFK) (continued)
(Percentage of Net Assets)

| Rating1 | Principal Amount (000) | Description |
|---|------------------------|---|
| New Jersey (cont'd) | | |
| BBB | \$ 10,000 | Tobacco Settlement Fing. Corp., Tobacco Settlement RB, Ser. 1A, 4.50%, 6/01/23 |
| New York 14.1% | | |
| NR | 1,820 | Albany Incl. Dev. Agcy., Sch. Impvts. Lease Appropriation RB, New Covenant Charter Sch. Proj., Ser. A, 7.00%, 5/01/35 |
| AAA | 5,375 | Env. Facs. Corp., Swr. Impvts. Misc. RB, NYC Mun. Wtr. Proj., Ser. B, 5.00%, 6/15/31 |
| A | 4,200 | Hudson Yards Infrastructure Corp., Trans. Impvts. Misc. RB, Ser. A, 5.00%, 2/15/47 |
| AA- | 36,725 | Liberty Dev. Corp., Incl. Impvts. Misc. RB, Goldman Sachs Group, Inc. Proj., 5.25%, 10/01/35 |
| AAA | 7,115 | Met. Transp. Auth., Misc. RB, Ser. A, 5.00%, 7/01/30, AMBAC New York City Incl. Dev. Agcy., Port, Arpt. & Marina Impvts. RB, American Airlines/JFK Intl. |
| B | 22,140 | 7.75%, 8/01/31, AMT |
| B | 5,000 | 8.00%, 8/01/28, AMT |
| North Carolina 3.7% | | |
| AA+ | 12,550 | Cap. Facs. Fin. Agcy., Coll. & Univ. RB, Duke Univ. Proj., Ser. B, 4.25%, 7/01/42 |
| NR5 | 12,130 | Gaston Cnty. Incl. Facs. & Poll. Ctrl. Fing. Auth., Incl. Impvts. RB, 5.75%, 8/01/35, AMT |
| Ohio 6.4% | | |
| Air Qual. Dev. Auth., | | |
| BBB | 14,500 | Incl. RB, Cleveland Elec. Illuminating Co. Proj., Ser. B, 6.00%, 8/01/20 |
| AAA | 23,820 | Rec. Recovery RB, Dayton Pwr. & Lt. Co. Proj., 4.80%, 1/01/34, FGIC |
| NR | 3,760 | Pinnacle Cmnty. Infrastructure Fing. Auth., Hsg. Misc. RB, Ohio Facs. Proj., Ser. A, 6.25%, 12/01/36 |
| Oklahoma 1.3% | | |
| B | 7,175 | Tulsa Mun. Arpt. Trust, Port, Arpt. & Marina Impvts. RB, Ser. A, 7.75%, 6/01/35, AMT |
| Pennsylvania 4.2% | | |
| Econ. Dev. Fing. Auth., | | |
| BB- | 15,580 | Elec., Pwr. & Lt. Impvts. RB, Reliant Energy Conv. Proj., Ser. A, 6.75%, 12/01/36, AMT |
| A3 | 6,500 | Trans. Impvts. Lease Renewal RB, Amtrak Proj., Ser. A, 6.375%, 11/01/41, AMT |
| BBB+ | 4,000 | Higher Edl. Facs. Auth., Univ. & Coll. Impvts. RB, La Salle Univ. Proj., 5.50%, 5/01/34 |
| Puerto Rico 1.6% | | |
| BBB | 10,605 | Comnwlth., Ad Valorem Ppty. Tax GO, Ser. B, 5.00%, 7/01/35 |
| South Carolina 5.8% | | |
| Jobs Econ. Dev. Auth., Hlth., Hosp. & Nursing Home RB, Palmetto Hlth. Alliance Proj., | | |
| BBB+ | 9,0003 | 6.875%, 8/01/13 |
| BBB+ | 5,075 | Ser. A, 6.25%, 8/01/31 |
| Lexington Cnty., Hlth., Hosp. & Nursing Home RB, Lexington Med. Ctr. Proj., | | |
| A | 5,000 | 5.50%, 11/01/32 |
| A | 10,000 | 5.75%, 11/01/28 |
| AAA | 6,345 | Scago Edl. Facs Corp. Colleton Sch. Dist., Lease RB, Chesterfield Cnty. Sch. Proj., 5.00%, 12/01/29 |

Tennessee 2.2%

| | | |
|-----|--------|---|
| AAA | 20,825 | Knox Cnty. Hlth. Edl. & Hsg. Facs. Brd., Hlth., Hosp. & Nursing Home RB, Covenant Hlth. Proj., Ser. A, Zero Coupon, 1/01/20, FSA |
|-----|--------|---|

BlackRock Municipal Income Trust (BFK) (continued)
(Percentage of Net Assets)

| Rating1 | Principal Amount (000) | Description |
|---|-------------------------------|---|
| Tennessee (cont'd) | | |
| AA+ | \$ 3,475 | Shelby Cnty. Hlth. Edl. & Hsg. Fac. Brd., Hlth., Hosp. & Nursing Home RB, St. Jude's Children's Hosp. Proj., 5.00%, 7/01/25 |
| Texas 12.1% | | |
| NR | 4,435 | Affordable Hsg. Corp., Multi-Fam. Hsg. RB, Amer. Oppty. Hsg. Portfolio Proj., Ser. B, 8.00%, 3/01/32 |
| AAA | 3,805 | Dallas Area Rapid Trans., Sales Tax RB, 5.00%, 12/01/31, AMBAC |
| AAA | 12,580 | Harris Cnty.-Houston Sports Auth., Hotel Occupancy Tax RB, Ser. A, Zero Coupon, 11/15/38, MBIA |
| AAA | 26,120 | Ser. A-3, Zero Coupon, 11/15/37, MBIA |
| AAA | 5,000 | Ser. H, Zero Coupon, 11/15/35, MBIA |
| AAA | 53 | Lower Colorado River Auth., Misc. RB, Ser. A, 5.00%, 5/15/13, MBIA |
| AAA | 2,395 | Ser. A, 5.00%, 5/15/31, MBIA |
| AAA | 13,305 | Transm. Svcs. Proj., 4.75%, 5/15/34, AMBAC |
| AAA | 1,700 | Montgomery Cnty. Mun. Util. Dist. No. 46, Pub. Impvts. Ad Valorem Ppty. Tax GO, 4.75%, 3/01/30, MBIA |
| AAA | 5,060 | Pearland, Ad Valorem Ppty. Tax GO, 4.75%, 3/01/29, FGIC |
| AAA | 35,000 | Tpke. Auth., Hwy. Impvts. Tolls RB, Central Sys. Proj., Zero Coupon, 8/15/32, AMBAC |
| AAA | 62,325 | Central Sys. Proj., Zero Coupon, 8/15/33, AMBAC |
| AAA | 65,040 | Central Sys. Proj., Zero Coupon, 8/15/34, AMBAC |
| AAA | 8,390 | Ser. A, 5.00%, 8/15/42, AMBAC |
| Virginia 0.3% | | |
| AAA | 8,105 | Commonw. Transp. Brd., Hwy. Impvts. RB, Zero Coupon, 4/01/32, MBIA |
| Washington 1.9% | | |
| AAA | 3,615 | Cnty. of King, Swr. RB, 5.00%, 1/01/36, FSA |
| AAA | 8,845 | Hlth. Care Facs. Auth., Hlth., Hosp. & Nursing Home RB, Providence Hlth. Care Svcs. Proj., Ser. A, 4.625%, 10/01/34, FGIC |
| West Virginia 0.3% | | |
| AAA | 2,070 | Econ. Dev. Auth., Correctional Fac. Impvts. Lease RB, Correctional Juvenile Safety Proj., Ser. A, 5.00%, 6/01/29, MBIA |
| Wisconsin 5.9% | | |
| A- | 7,500 | Hlth. & Edl. Facs. Auth., Hlth., Hosp. & Nursing Home Impvts. RB, Aurora Hlth. Care Proj., 6.40%, 4/15/33 |
| AA- | 12,545 | Hlth. & Edl. Facs. Auth., Hlth., Hosp. & Nursing Home RB, Froedtert & Cmnty. Hlth. Oblig. Grp. Proj., 5.375%, 10/01/11 |
| AA- | 1,205 | Froedtert & Cmnty. Hlth. Oblig. Grp. Proj., 5.375%, 10/01/30 |
| A- | 15,000 | Wheaton Franciscan Svcs. Proj., 5.75%, 2/15/12 |
| Total Long-Term Investments (cost \$966,398,581) | | |
| SHORT-TERM INVESTMENTS 1.0% | | |

Florida 0.3%

| | | |
|------|--------|--|
| A-1+ | 2,0008 | Jacksonville Hlth. Facs. Auth., Hlth., Hosp. & Nursing Home RB, Baptist Med. Ctr. Proj., 3.68%, 2/01/07, FRDD |
|------|--------|--|

Massachusetts 0.3%

| | | |
|------|--------|--|
| A-1+ | 2,4008 | Hlth. & Edl. Fac. Auth., Coll. & Univ. RB, Harvard Univ. Proj., Ser. BB, 3.59%, 2/01/07, FRWD |
|------|--------|--|

BlackRock Municipal Income Trust (BFK) (continued)
(Percentage of Net Assets)

| Rating ¹ | Principal Amount (000) | Description | Option Call Provisions ² |
|---|------------------------|--|-------------------------------------|
| Pennsylvania 0.4% | | | |
| | | Higher Ed. Asst. Agcy., Student Loans RB, | |
| A-1+ | \$ 1,7008 | Ser. A, 3.536%, 2/07/07, FRWD | N/A |
| A-1+ | 8008 | Ser. C, 3.53%, 2/07/07, AMBAC, AMT, FRWD | N/A |
| Texas 0.0% | | | |
| A-1+ | 508 | Wtr. Dev. Board, Wtr. RB, 3.77%, 2/01/07, FRDD | N/A |
| Total Short-Term Investments (cost \$6,950,000) | | | |
| Total Investments 155.3% (cost \$973,348,5819) | | | |
| Other assets in excess of liabilities 0.7% | | | |
| Preferred shares at redemption value, including dividends payable (56.0)% | | | |
| Net Assets Applicable to Common Shareholders 100% | | | |

- 1 Using the highest of Standard & Poor's, Moody's Investors Service or Fitch's Ratings.
- 2 Date (month/year) and price of the earliest optional call or redemption. There may be other call provisions at varying prices at later dates.
- 3 This bond is prerefunded. U.S. government securities, held in escrow, are used to pay interest on this security, as well as retire the bond in full at the date indicated, typically at a premium to par.
- 4 Security is not registered under the Securities Act of 1933. These securities may be resold in transactions in accordance with Rule 144A under that Act, to qualified institutional buyers. As of January 31, 2007, the Trust held 7.6% of its net assets, with a current market value of \$50,810,038, in securities restricted as to resale.
- 5 Security is deemed to be of investment grade quality by the investment adviser.
- 6 Issuer is in default and/or bankruptcy.
- 7 Illiquid security. As of January 31, 2007, the Trust held 0.1% of its net assets, with a current market value of \$665,161, in these securities.
- 8 For purposes of amortized cost valuation, the maturity date of this instrument is considered to be the earlier of the next date on which the security can be redeemed at par, or the next date on which the rate of interest is adjusted. Rate shown is rate as of January 31, 2007.
- 9 Cost for federal income tax purposes is \$973,407,317. The net unrealized appreciation on a tax basis is \$67,196,730, consisting of \$72,295,175 gross unrealized appreciation and \$5,098,445 gross unrealized depreciation.

KEY TO ABBREVIATIONS

| | | | |
|-------|---|------|-----------------------------------|
| ACA | □ American Capital Access | GO | □ General Obligation |
| AMBAC | □ American Municipal Bond Assurance Corp. | MBIA | □ Municipal Bond Insurance Assoc. |
| AMT | □ Subject to Alternative Minimum Tax | RB | □ Revenue Bond |
| FGIC | □ Financial Guaranty Insurance Co. | SA | □ Special Assessment |
| FRDD | □ Floating Rate Daily Demand | ST | □ Special Tax |
| FRWD | □ Floating Rate Weekly Demand | TA | □ Tax Allocation |
| FSA | □ Financial Security Assurance | XLCA | □ XL Capital Assurance |

Item 2. Controls and Procedures.

(a) The Registrant's principal executive and principal financial officers have evaluated the Registrant's disclosure controls and procedures within 90 days of this filing and have concluded, as of that date, that the Registrant's disclosure controls and procedures were reasonably designed to ensure that information required to be disclosed by the Registrant in this Form N-Q was recorded, processed, summarized, and reported within the required time periods and that information to be disclosed by the Registrant in this Form N-Q was accumulated and communicated to the Registrant's management, including its principal executive and principal financial officers, as appropriate, to allow timely decisions regarding required disclosure.

(b) There were no changes in the Registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the 1940 Act (17 CFR 270.30a -3(d)) that occurred during the Registrant's last fiscal quarter that have materially affected, or are reasonably likely to materially affect, the Registrant's internal control over financial reporting.

Item 3. Exhibits.

Separate certifications of the Registrant's Principal Executive and Financial Officers pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 are attached as EX-99.CERT.

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.

(Registrant) BlackRock Municipal Income Trust
By: /s/ Donald C. Burke
Name: Donald C. Burke
Title: Treasurer and Principal Financial Officer
Date: March 28, 2007

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 and in the capacities and on the dates indicated.

By: /s/ Robert S. Kapito
Name: Robert S. Kapito
Title: President and Principal Executive Officer
Date: March 28, 2007

By: /s/ Donald C. Burke
Name: Donald C. Burke
Title: Treasurer and Principal Financial Officer
Date: March 28, 2007