

PIMCO MUNICIPAL INCOME FUND III  
 Form 4/A  
 December 31, 2008

**FORM 4** UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
 Washington, D.C. 20549

OMB APPROVAL  
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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *			2. Issuer Name and Ticker or Trading Symbol	5. Relationship of Reporting Person(s) to Issuer
GROSS WILLIAM H			PIMCO MUNICIPAL INCOME FUND III [PMX]	(Check all applicable)
(Last)	(First)	(Middle)	3. Date of Earliest Transaction (Month/Day/Year)	____ Director ____ Officer (give title below) EXECUTIVE COMMITTEE MEMBER
			03/14/2005	____ 10% Owner ___X___ Other (specify below)
840 NEWPORT CENTER DRIVE, SUITE 100			4. If Amendment, Date Original Filed(Month/Day/Year)	6. Individual or Joint/Group Filing(Check Applicable Line)
(Street)			04/28/2005	___X___ Form filed by One Reporting Person ___ Form filed by More than One Reporting Person
NEWPORT BEACH, CA 92660				
(City)	(State)	(Zip)		

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Ownership (Instr. 4)
			Code	V Amount (A) or (D) Price			
COMMON STOCK	03/14/2005		P	10,000 A \$ 14.3116	447,981 (2)	D (1)	
COMMON STOCK					28,999 (2)	I (1)	BY CHILD'S TRUST #1
COMMON STOCK					28,999 (2)	I (1)	BY CHILD'S TRUST #2

COMMON STOCK	29,002 <sup>(2)</sup>	I <sup>(1)</sup>	BY CHILD'S TRUST #3
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Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

**Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.**

SEC 1474  
(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Nu Deriv Secur Bene Own Follo Repo Trans (Instr
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Date Exercisable	Expiration Date	Title	Amount or Number of Shares
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Code	V	(A)	(D)
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## Reporting Owners

Reporting Owner Name / Address	Relationships
GROSS WILLIAM H 840 NEWPORT CENTER DRIVE SUITE 100 NEWPORT BEACH, CA 92660	Director   10% Owner   Officer   Other  EXECUTIVE COMMITTEE MEMBER

## Signatures

/S/ STEVEN LUDWIG, ATTORNEY-IN-FACT FOR WILLIAM H. GROSS	12/22/2008
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\_\_Signature of Reporting Person
Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, see Instruction 4(b)(v).
- \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) 10,000 shares were previously reported as acquired by the reporting person on 3/14/2005, when such shares were actually acquired by his 501(c)(3) family foundation. The securities beneficially owned, as reported under Column 5 herein, reflect the aggregate holdings of

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the reporting person and excludes any shares held by the 501(c)(3) family foundation as of 3/14/2005, the date of the original transactions required to be reported, and upon which a Form 4 was filed with erroneous holdings reported. Additionally, the reporting person acquired an aggregate of 7,280.96 shares ("Reinvestment Shares") on various dates under a qualifying dividend reinvestment plan. The Reinvestment Shares were not previously reported in the reporting person's aggregate holdings but are now reflected in the aggregate holdings set forth in Column 5.

- (2) The aggregate holdings set forth under Column 5 reflect the form and amount of securities beneficially owned as of the date set forth in Box 3 herein.

### **Remarks:**

Pacific Investment Management Company LLC (PIMCO) is the investment adviser of the Issuer. Mr. Gross is a member of P

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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