

EATON VANCE MUNICIPAL INCOME TRUST  
Form N-Q  
October 30, 2006

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**Form N-Q**

**QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED  
MANAGEMENT INVESTMENT COMPANIES**

Investment Company Act File Number

**811-09141**

**Eaton Vance Municipal Income Trust**

(Exact Name of Registrant as Specified in Charter)

**The Eaton Vance Building,**

**255 State Street, Boston, Massachusetts**

(Address of Principal Executive Offices)

**02109**

(Zip code)

**Alan R. Dynner, Esq.**

**Eaton Vance Management, 255 State Street, Boston, Massachusetts 02109**

(Name and Address of Agent for Services)

Registrant's Telephone Number, Including Area Code:

(617) 482-8260

Date of Fiscal Year End:

November 30

Date of Reporting Period:

August 31, 2006

**Item 1. Schedule of Investments**

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Eaton Vance Municipal Income Trust

as of August 31, 2006

PORTFOLIO OF INVESTMENTS (Unaudited)

Tax-Exempt Investments 147.4%

Principal

Amount

(000 s omitted)

|                                     | Security  | Value                |
|-------------------------------------|---|----------------------|
| <b>Cogeneration 1.1%</b>            |   |                      |
| \$ 2,950                            | Maryland Energy Cogeneration, (AES Warrior Run), (AMT), 7.40%, 9/1/19   | \$ 2,982,361         |
|                                     |   | <b>\$ 2,982,361</b>  |
| <b>Education 2.5%</b>               |   |                      |
| 2,250                               | California Educational Facilities Authority, (Stanford University), Residual Certificates, Variable Rate, 10.11%, 12/1/32 (1)(2)  | 2,757,015            |
| 3,430                               | Massachusetts Development Finance Agency, (Boston University), 5.45%, 5/15/59   | 3,775,572            |
|                                     |   | <b>\$ 6,532,587</b>  |
| <b>Electric Utilities 11.0%</b>     |   |                      |
| 6,500                               | Brazos River Authority, TX, (Reliant Energy, Inc.), 7.75%, 12/1/18  | 6,944,795            |
| 1,300                               | Brazos River Authority, TX, Pollution Control Revenue (Texas Energy Co.), (AMT), 5.40%, 5/1/29                                    | 1,345,500            |
| 2,000                               | Brazos River Authority, TX, Pollution Control Revenue (Texas Energy Co.), (AMT), 6.75%, 4/1/38                                    | 2,227,120            |
| 3,550                               | Mississippi Business Finance Corp., (System Energy Resources, Inc.), 5.90%, 5/1/22  | 3,555,822            |
| 7,250                               | North Carolina Municipal Power Agency, (Catawba), 6.50%, 1/1/20   | 7,869,875            |
| 1,000                               | Pennsylvania Economic Development Authority, (Reliant Energy, Inc.), (AMT), 6.75%, 12/1/36  | 1,074,210            |
| 3,400                               | Pennsylvania Economic Development Authority, (Reliant Energy, Inc.), (AMT), 6.75%, 12/1/36  | 3,652,314            |
| 2,550                               | Pennsylvania Economic Development Authority, (Reliant Energy, Inc.), (AMT), 6.75%, 12/1/36  | 2,739,235            |
|                                     |   | <b>\$ 29,408,871</b> |
| <b>Escrowed / Prerefunded 11.3%</b> |   |                      |
| 3,000                               | Capital Trust Agency, FL, (Seminole Tribe Convention), Prerefunded to 10/1/12, 8.95%, 10/1/33 (1)                                 | 3,704,580            |
| 35,000                              | Dawson Ridge, CO, Metropolitan District #1, Escrowed to Maturity, 0.00%, 10/1/22  | 17,055,500           |
| 3,185                               | Florida Capital Projects Finance Authority, Student Housing Revenue, (Florida University), Prerefunded to 8/15/10, 7.75%, 8/15/20 | 3,641,570            |
| 1,000                               | Halifax, FL, Medical Center, Prerefunded to 10/1/10, 7.25%, 10/1/24   | 1,147,490            |
| 1,400                               | Mesquite, TX, Health Facilities Authority, (Christian Retirement Facility), Prerefunded to 2/15/10, 7.625%, 2/15/28               | 1,584,380            |

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|                                       |       |  |                      |
|---------------------------------------|-------|--|----------------------|
| \$                                    | 2,770 | Wisconsin Health & Educational Facilities Authority, (Wisconsin Illinois Senior Housing), Prerefunded to 8/1/09, 7.00%, 8/1/29 | \$ 3,012,264         |
|                                       |       |  | <b>\$ 30,145,784</b> |
| <b>General Obligations 3.2%</b>       |       |  |                      |
| 1,500                                 |       | California, 5.25%, 11/1/29   | 1,592,220            |
| 4,950                                 |       | California, 5.50%, 11/1/33   | 5,411,637            |
| 1,200                                 |       | New York City, NY, Variable Rate, 6.838%, 6/1/28 (1)(2)  | 1,412,352            |
|                                       |       |  | <b>\$ 8,416,209</b>  |
| <b>Health Care-Miscellaneous 1.1%</b> |       |  |                      |
| 576                                   |       | Tax Exempt Securities Trust, Community Health Provider, Pooled Loan Program, 6.00%, 12/1/36                                    | 597,329              |
| 1,521                                 |       | Tax Exempt Securities Trust, Community Health Provider, Pooled Loan Program, 6.25%, 12/1/36                                    | 1,618,694            |
| 577                                   |       | Tax Exempt Securities Trust, Community Health Provider, Pooled Loan Program, 7.75%, 12/1/36                                    | 601,426              |
|                                       |       |  | <b>\$ 2,817,449</b>  |
| <b>Hospital 18.6%</b>                 |       |  |                      |
| 2,000                                 |       | Brevard County, FL, Health Facilities Authority, (Health First, Inc.), 5.00%, 4/1/36   | 2,045,020            |
| 5,000                                 |       | California Statewide Communities Development Authority, (Kaiser Permanente), 5.25%, 3/1/45                                     | 5,226,300            |
| 600                                   |       | Camden County, NJ, Improvement Authority, (Cooper Health System), 5.00%, 2/15/25   | 614,322              |
| 1,260                                 |       | Camden County, NJ, Improvement Authority, (Cooper Health System), 5.00%, 2/15/35   | 1,279,417            |
| 1,200                                 |       | Camden County, NJ, Improvement Authority, (Cooper Health System), 5.25%, 2/15/27   | 1,252,824            |
| 865                                   |       | Chautauqua County, NY, Industrial Development Agency, (Women s Christian Association), 6.35%, 11/15/17                         | 909,297              |
| 975                                   |       | Chautauqua County, NY, Industrial Development Agency, (Women s Christian Association), 6.40%, 11/15/29                         | 1,019,577            |
| 6,000                                 |       | Henderson, NV, Health Care Facility, 5.625%, 7/1/24  | 6,455,400            |
| 2,680                                 |       | Highland County, OH, (Joint Township Hospital District), 6.75%, 12/1/29  | 2,819,092            |
| 5,000                                 |       | Illinois Health Facility Authority, (Loyola University Health System), 6.00%, 7/1/21   | 5,309,900            |
| 5,275                                 |       | Indiana Health & Educational Facilities Authority, (Clarian Health Partners), 5.00%, 2/15/36                                   | 5,400,650            |
| 900                                   |       | Louisiana Public Facilities Authority, (Ochsner Clinic Foundation Project), 5.50%, 5/15/32                                     | 941,193              |
| 2,575                                 |       | Louisiana Public Facilities Authority, (Tuoro Infirmary), 5.625%, 8/15/29  | 2,596,681            |
| 2,000                                 |       | Martin County, MN, (Fairmont Community Hospital Association), 6.625%, 9/1/22   | 2,122,680            |
| 730                                   |       | Mecosta County, MI, General Hospital, 5.75%, 5/15/09   | 746,024              |
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|   |  |                      |
|---|--|----------------------|
| \$ 2,500                                    | Mecosta County, MI, General Hospital, 6.00%, 5/15/18   | \$ 2,575,225         |
| 1,500                                       | New Jersey Health Care Facilities Financing Authority, (Trinitas Hospital), 7.50%, 7/1/30                    | 1,660,680            |
| 5,000                                       | North Central, TX, Health Facility Development Corp., (Baylor Healthcare System), 5.125%, 5/15/29            | 5,114,900            |
| 1,370                                       | Oneonta, AL, Eastern Health Care Facility Financing Authority, (Eastern Health Systems, Inc.), 7.75%, 7/1/21 | 1,501,109            |
|   |  | <b>\$ 49,590,291</b> |
| <b>Housing 13.3%</b>                        |  |                      |
| 990   | California Statewide Communities Development Authority, (AMT), Variable Rate, 22.306%, 12/1/34 (1)(2)(3)(4)  | 1,730,688            |
| 2,420                                       | Capital Trust Agency, FL, (Atlantic Housing Foundation), 5.35%, 7/1/40                                       | 2,445,846            |
| 4,000                                       | Charter Mac Equity Trust, TN, 6.00%, 4/30/19 (1)   | 4,340,160            |
| 4,000                                       | Charter Mac Equity Trust, TN, (AMT), 6.625%, 6/30/09 (1)   | 4,220,280            |
| 2,158                                       | Colorado Housing and Finance Authority, (Birchwood Manor Project), (AMT), 5.50%, 9/20/36                     | 2,279,150            |
| 1,765                                       | Lake Creek, CO, Affordable Housing Corp., Multifamily, 7.00%, 12/1/23  | 1,768,954            |
| 4,380                                       | Louisiana Public Facilities Authority, (Eden Point), 6.25%, 3/1/34   | 4,492,128            |
| 4,000                                       | Muni Mae Tax-Exempt Bond, LLC, (AMT), 6.875%, 6/30/49 (1)  | 4,243,960            |
| 2,865                                       | North Little Rock, AR, Residential Housing Facilities, (Parkstone Place), 6.50%, 8/1/21                      | 2,918,318            |
| 3,450                                       | Oregon Health Authority, (Trillium Affordable Housing), (AMT), 6.75%, 2/15/29                                | 3,658,587            |
| 3,300                                       | Texas Student Housing Corp., (University of Northern Texas), 6.75%, 7/1/16                                   | 3,320,823            |
|   |  | <b>\$ 35,418,894</b> |
| <b>Industrial Development Revenue 13.1%</b> |  |                      |
| 1,825                                       | ABIA Development Corp., TX, (Austin Cargoport Development), (AMT), 6.50%, 10/1/24                            | 1,832,146            |
| 1,617                                       | Broward County, FL, Industrial Development Revenue, (Lynxs Cargoport), (AMT), 6.75%, 6/1/19                  | 1,605,968            |
| 1,300                                       | California Pollution Control Financing Authority, (Solid Waste Disposal), (AMT), 5.40%, 4/1/25               | 1,371,565            |
| 2,560                                       | Denver, CO, City and County Special Facilities, (United Airlines), (AMT), 6.875%, 10/1/32 (3)                | 2,624,000            |
| 1,220                                       | Effingham County, GA, (Solid Waste Disposal), (Fort James), (AMT), 5.625%, 7/1/18                            | 1,231,602            |
| 2,500                                       | Gulf Coast, TX, Waste Disposal Authority, (Valero Energy Corp.), (AMT), 5.70%, 4/1/32                        | 2,577,475            |
| 1,000                                       | Kenton County, KY, Airport, (Delta Airlines), (AMT), 7.125%, 2/1/21 (5)                                      | 546,810              |
| 6,000                                       | New Jersey Economic Development Authority, (Continental Airlines), (AMT), 6.25%, 9/15/29                     | 6,130,740            |
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|                                    |              |   |                      |
|------------------------------------|--------------|---|----------------------|
| \$                                 | 1,300        | New York City, NY, Industrial Development Agency, (American Airlines, Inc.), (AMT), Variable Rate, 7.75%, 8/1/31                    | \$ 1,508,195         |
| 6,000                              |              | New York City, NY, Industrial Development Agency, (American Airlines, Inc.-JFK International Airport), Variable Rate, 8.00%, 8/1/28 | 7,095,960            |
| 3,500                              |              | New York City, NY, Industrial Development Agency, (JFK International Airport), (AMT), Variable Rate, 8.50%, 8/1/28                  | 3,990,385            |
| 4,350                              |              | Phoenix, AZ, Industrial Development Agency, (America West Airlines, Inc.), (AMT), 6.25%, 6/1/19                                     | 4,437,914            |
|                                    |              |   | <b>\$ 34,952,760</b> |
| <b>Insured-Education</b>           | <b>1.2%</b>  |   |                      |
| 3,000                              |              | Massachusetts Health & Educational Facilities Authority, (Berklee College of Music), (MBIA), Variable Rate, 6.53%, 10/1/27 (1)(6)   | 3,187,950            |
|                                    |              |   | <b>\$ 3,187,950</b>  |
| <b>Insured-Electric Utilities</b>  | <b>0.5%</b>  |   |                      |
| 1,350                              |              | Wamego, KS, Pollution Control Revenue, (MBIA), 5.30%, 6/1/31  | 1,439,100            |
|                                    |              |   | <b>\$ 1,439,100</b>  |
| <b>Insured-General Obligations</b> | <b>13.4%</b> |   |                      |
| 2,625                              |              | California, (FGIC), Variable Rate, 10.11%, 9/1/30 (1)(2)  | 3,125,483            |
| 500                                |              | California, (FGIC), Variable Rate, 43.80%, 12/1/29 (1)(2)(3)(4)   | 1,092,990            |
| 30,160                             |              | Chicago, IL, Board of Education, (FGIC), 0.00%, 12/1/22   | 14,587,789           |
| 13,000                             |              | Illinois Development Finance Authority, (Local Government Program-Elgin School District-U46), (FSA), 0.00%, 1/1/20                  | 7,276,490            |
| 3,330                              |              | Puerto Rico, (AGC), Variable Rate, 8.178%, 7/1/29 (1)(2)(4)   | 4,926,102            |
| 4,000                              |              | Puerto Rico, (FSA), Variable Rate, 6.32%, 7/1/27 (1)(2)   | 4,717,560            |
|                                    |              |   | <b>\$ 35,726,414</b> |
| <b>Insured-Hospital</b>            | <b>9.4%</b>  |   |                      |
| 19,585                             |              | Kentucky Economic Development Authority, (Norton Healthcare, Inc.), (MBIA), 0.00%, 10/1/25  | 8,191,818            |
| 22,320                             |              | Kentucky Economic Development Authority, (Norton Healthcare, Inc.), (MBIA), 0.00%, 10/1/26  | 8,950,543            |
| 10,000                             |              | Kentucky Economic Development Authority, (Norton Healthcare, Inc.), (MBIA), 0.00%, 10/1/27  | 3,816,000            |
| 4,000                              |              | New Jersey Health Care Facilities Financing Authority, (St. Barnabas Medical Center), (MBIA), Variable Rate, 5.775%, 7/1/28 (1)(2)  | 4,146,760            |
|                                    |              |   | <b>\$ 25,105,121</b> |
| <b>Insured-Housing</b>             | <b>2.0%</b>  |   |                      |
| 4,525                              |              | Virginia Housing Development Authority, (MBIA), Variable Rate, 7.772%, 7/1/36 (1)(2)  | 5,249,950            |
|                                    |              |   | <b>\$ 5,249,950</b>  |

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|   |   |                      |
|---|---|----------------------|
| <b>Insured-Industrial Development Revenue 2.3%</b>                |   |                      |
| \$ 6,070  | Monroe County, GA, Development Authority Pollution Control, (Georgia Power Co.), (AMBAC), 4.90%, 7/1/36                 | \$ 6,169,548         |
|   |   | <b>\$ 6,169,548</b>  |
| <b>Insured-Lease Revenue / Certificates of Participation 0.8%</b> |   |                      |
| 2,145   | Jackson County, MO, Leasehold Revenue, (Truman Sports), (AMBAC), 4.50%, 12/1/31   | 2,154,502            |
|   |   | <b>\$ 2,154,502</b>  |
| <b>Insured-Special Tax Revenue 1.6%</b>                           |   |                      |
| 4,100   | New York Convention Center Development Corp., (AMBAC), 4.75%, 11/15/45  | 4,161,172            |
|   |   | <b>\$ 4,161,172</b>  |
| <b>Insured-Transportation 17.6%</b>                               |   |                      |
| 1,500   | Central, TX, Regional Mobility Authority, (FGIC), 5.00%, 1/1/45   | 1,544,715            |
| 3,500   | Chicago, IL, O Hare International Airport, (AMBAC), (AMT), 5.375%, 1/1/32   | 3,640,875            |
| 2,983   | Dallas-Fort Worth, TX, International Airport, (FGIC), (AMT), Variable Rate, 12.08%, 5/1/10 (1)(2)                       | 3,707,093            |
| 25,500  | E-470 Public Highway Authority, CO, (MBIA), 0.00%, 3/1/36   | 5,439,150            |
| 2,400   | Massachusetts Turnpike Authority, Metropolitan Highway System, (MBIA), Variable Rate, 6.594%, 1/1/37 (1)(2)             | 2,545,632            |
| 5,000   | Minneapolis and St. Paul, MN, Metropolitan Airport Commission, (FGIC), 5.25%, 1/1/32                                    | 5,231,950            |
| 5,500   | Nevada Department of Business and Industry, (Las Vegas Monorail), (AMBAC), 5.375%, 1/1/40                               | 5,710,870            |
| 2,000   | Puerto Rico Highway and Transportation Authority, (FSA), Variable Rate, 7.735%, 7/1/32 (1)(2)                           | 2,231,580            |
| 3,275   | Puerto Rico Highway and Transportation Authority, RITES, (CIFG), Variable Rate, 7.431%, 7/1/41 (1)(2)(4)                | 4,745,999            |
| 7,000   | San Antonio, TX, Airport System, (Improvements), (FGIC), (AMT), 5.25%, 7/1/21 (7)                                       | 7,319,270            |
| 9,000   | Texas Turnpike Authority, (Central Texas Turnpike System), (AMBAC), 0.00%, 8/15/21                                      | 4,639,500            |
|   |   | <b>\$ 46,756,634</b> |
| <b>Nursing Home 0.8%</b>  |   |                      |
| 2,000   | Orange County, FL, Health Facilities Authority, (Westminster Community Care), 6.75%, 4/1/34                             | 2,078,800            |
|   |   | <b>\$ 2,078,800</b>  |
| <b>Other Revenue 13.7%</b>  |   |                      |
| 3,930   | California Statewide Communities Development Authority, (East Valley Tourist Development Authority), 8.25%, 10/1/14 (1) | 4,220,231            |
| 1,955   | Central Falls, RI, Detention Facility Revenue, 7.25%, 7/15/35   | 2,168,095            |

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|  |       |  |                       |
|--|-------|--|-----------------------|
| \$   | 3,160 | Golden State Tobacco Securitization Corp., CA, 6.75%,<br>6/1/39  | \$ 3,567,703          |
| 2,900  |       | Golden State Tobacco Securitization Corp., CA, Variable<br>Rate, 6.743%, 6/1/38 (1)(4)(6)                | 3,555,661             |
| 1,500  |       | Mohegan Tribe Indians, CT, Gaming Authority, (Public<br>Improvements), 6.25%, 1/1/21 (1)                 | 1,606,920             |
| 2,300  |       | Northern TOB Securitization Corp., 0.00%, 6/1/46   | 210,381               |
| 6,050  |       | Northern TOB Securitization Corp., 5.00%, 6/1/46   | 5,972,318             |
| 3,900  |       | Puerto Rico Infrastructure Financing Authority, Variable<br>Rate, 12.985%, 10/1/32 (1)(2)                | 5,321,745             |
| 3,208  |       | Santa Fe, NM, (Crow Hobbs), 8.50%, 9/1/16  | 3,257,469             |
| 1,290  |       | Tobacco Settlement Financing Corp., NJ, 6.75%, 6/1/39  | 1,448,464             |
| 3,000  |       | Tobacco Settlement Financing Corp., NJ, Variable Rate,<br>9.894%, 6/1/39 (1)(4)(6)                       | 3,737,010             |
| 1,000  |       | Tobacco Settlement Financing Corp., VA, Variable Rate,<br>6.887%, 6/1/37 (1)(2)(4)                       | 1,139,550             |
| 250  |       | Willacy County, TX, Local Government Corp., 6.00%,<br>3/1/09   | 253,785               |
|  |       |  | <b>\$ 36,459,332</b>  |
| <b>Senior Living / Life Care 1.8%</b>  |       |  |                       |
| 3,210  |       | Cliff House Trust, PA, (AMT), 6.625%, 6/1/27 (8)   | 2,255,635             |
| 3,240  |       | Logan County, CO, Industrial Development Revenue,<br>(TLC Care Choices, Inc.), 6.875%, 12/1/23 (5)       | 2,663,896             |
|  |       |  | <b>\$ 4,919,531</b>   |
| <b>Special Tax Revenue 2.7%</b>  |       |  |                       |
| 3,280  |       | Bell Mountain Ranch, CO, Metropolitan District,<br>6.625%, 11/15/25                                      | 3,493,626             |
| 240  |       | Longleaf, FL, Community Development District, 6.20%,<br>5/1/09   | 241,994               |
| 1,150  |       | New Jersey Economic Development Finance Authority,<br>(Cigarette Tax), 5.50%, 6/15/24                    | 1,205,925             |
| 2,115  |       | New Jersey Economic Development Finance Authority,<br>(Cigarette Tax), 5.75%, 6/15/29                    | 2,267,682             |
|  |       |  | <b>\$ 7,209,227</b>   |
| <b>Transportation 1.3%</b>   |       |  |                       |
| 1,500  |       | Augusta, GA, (AMT), 5.35%, 1/1/28  | 1,561,035             |
| 1,875  |       | Kent County, MI, Airport Facility, Variable Rate,<br>8.84%, 1/1/25 (1)(2)                                | 2,013,825             |
|  |       |  | <b>\$ 3,574,860</b>   |
| <b>Water and Sewer 3.1%</b>  |       |  |                       |
| 3,405  |       | Massachusetts Water Resources Authority, 4.00%, 8/1/46   | 3,007,126             |
| 5,250  |       | Metropolitan Water District of Southern California,<br>(Waterworks Revenue Authorization), 4.75%, 7/1/36 | 5,371,905             |
|  |       |  | <b>\$ 8,379,031</b>   |
| <b>Total Tax-Exempt Investments 147.4%</b><br><b>(identified cost \$357,021,020)</b> |       |  | <b>\$ 392,836,378</b> |



|  |                |                        |
|--|----------------|------------------------|
| <b>Other Assets, Less Liabilities</b>                            | <b>1.7%</b>    | <b>\$4,599,562</b>     |
| <b>Auction Preferred Shares Plus Cumulative Unpaid Dividends</b> | <b>(49.1)%</b> | <b>\$(131,012,560)</b> |
| <b>Net Assets Applicable to Common Shares</b>                    | <b>100.0%</b>  | <b>\$266,423,380</b>   |

|       |  |
|-------|--|
| AGC   | Assured Guaranty Corp.   |
| AMBAC | AMBAC Financial Group, Inc.  |
| AMT   | Interest earned from these securities may be considered a tax preference item for purposes of the Federal Alternative Minimum Tax. |
| CIFG  | CDC IXIS Financial Guaranty North America, Inc.  |
| FGIC  | Financial Guaranty Insurance Company   |
| FSA   | Financial Security Assurance, Inc.   |
| MBIA  | Municipal Bond Insurance Association   |

At August 31, 2006, the concentration of the Trust's investments in the various states, determined as a percentage of net assets, is as follows:

|   |      |   |
|---|------|---|
| California                                      | 14.6 | % |
| Colorado  | 13.3 | % |
| Illinois  | 11.6 | % |
| Texas   | 15.9 | % |
| Others, representing less than 10% individually | 92.0 | % |

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 August 31, 2006, 33.1% of total investments are backed by bond insurance of various financial institutions and financial guaranty assurance agencies. The aggregate percentage insured by an individual financial institution ranged from 1.2% to 10.9% of total investments.

- (1) Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be sold in transactions exempt from registration, normally to qualified institutional buyers. At August 31, 2006, the aggregate value of the securities is \$83,681,076 or 31.4% of the Trust's net assets.
- (2) Security has been issued as a leveraged inverse floater bond. The stated interest rate represents the rate in effect at August 31, 2006.
- (3) Security valued at fair value using methods determined in good faith by or at the direction of the Trustees.
- (4) Security is subject to a shortfall agreement which may require the Fund to pay amounts to a counterparty in the event of a significant decline in the market value of the security.
- (5) Security is in default and making only partial interest payments.
- (6) Security has been issued as an inverse floater bond. The stated interest rate represents the rate in effect at August 31, 2006.
- (7) Security (or a portion thereof) has been segregated to cover margin requirements on open financial futures contracts.
- (8) Security is in default with respect to principal payments.

A summary of financial instruments at August 31, 2006 is as follows:

**Futures Contracts**

| Expiration Date | Contracts              | Position | Aggregate Cost   | Value            | Net Unrealized Depreciation |
|-----------------|------------------------|----------|------------------|------------------|-----------------------------|
| 12/06           | 555 U.S. Treasury Bond | Short    | \$ (61,433,539 ) | \$ (61,639,687 ) | \$ (206,148 )               |

**Interest Rate Swaps**

At August 31, 2006, the Fund had entered into an interest rate swap agreement with JP Morgan Chase whereby the Fund makes bi-annual payments at a fixed rate equal to 5.77% on the notional amount of \$12,000,000. In exchange the Fund receives quarterly payments at a rate equal to the three month USD-LIBOR on the same notional amount. The effective date of the interest rate swap is February 26, 2007. The value of the contract, which terminates on February 26, 2037, is recorded as a receivable for open swap contracts of \$46,190 on August 31, 2006.

At August 31, 2006, the Trust had sufficient cash and/or securities to cover commitments under these contracts.

The cost and unrealized appreciation (depreciation) in value of the investments owned at August 31, 2006 as computed on a federal income tax basis, were as follows:

|                                    |                       |
|------------------------------------|-----------------------|
| <b>Aggregate cost</b>              | <b>\$ 356,320,892</b> |
| Gross unrealized appreciation      | \$ 37,849,292         |
| Gross unrealized depreciation      | (1,333,806 )          |
| <b>Net unrealized appreciation</b> | <b>\$ 36,515,486</b>  |

**Item 2. Controls and Procedures**

(a) It is the conclusion of the registrant's principal executive officer and principal financial officer that the effectiveness of the registrant's current disclosure controls and procedures (such disclosure controls and procedures having been evaluated within 90 days of the date of this filing) provide reasonable assurance that the information required to be disclosed by the registrant on this Form N-Q has been recorded, processed, summarized and reported within the time period specified in the Commission's rules and forms and that the information required to be disclosed by the registrant on this Form N-Q has been accumulated and communicated to the registrant's principal executive officer and principal financial officer in order to allow timely decisions regarding required disclosure.

(b) There have been no changes in the registrant's internal controls over financial reporting during the fiscal quarter for which the report is being filed that have materially affected, or are reasonably likely to materially affect the registrant's internal control over financial reporting.

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**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.

Eaton Vance Municipal Income Trust

By: /s/ Robert B. MacIntosh  
Robert B. MacIntosh  
President and Principal Executive Officer  
Date: October 25, 2006

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 B. MacIntosh  
Robert B. MacIntosh  
President and Principal Executive Officer  
Date: October 25, 2006  
By: /s/ Barbara E. Campbell  
Barbara E. Campbell  
Treasurer and Principal Financial Officer  
Date: October 25, 2006

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