

BLACKROCK MUNICIPAL INCOME TRUST
Form N-Q
March 27, 2012
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

Name of Fund: BlackRock Municipal Income Trust (BFK)

Fund Address: 100 Bellevue Parkway, Wilmington, DE 19809

Name and address of agent for service: John M. Perlowski, Chief Executive Officer, BlackRock Municipal Income Trust, 55 East 52nd Street, New York, NY 10055

Registrant's telephone number, including area code: (800) 882-0052, Option 4

Date of fiscal year end: 04/30/2012

Date of reporting period: 01/31/2012

Item 1 – Schedule of Investments

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Schedule of Investments January 31, 2012 (Unaudited)

BlackRock Municipal Income Trust (BFK)
(Percentages shown are based on Net Assets)

| | Par (000) | Value |
|---|--------------|--------------|
| Municipal Bonds | | |
| Alabama 0.7% | | |
| Alabama State Docks Department, Refunding RB, 6.00%, 10/01/40 | \$ 4,080 | \$ 4,527,290 |
| Arizona 3.0% | | |
| Salt Verde Financial Corp., RB: 5.00%, 12/01/32 | 10,030 | 9,990,783 |
| 5.00%, 12/01/37 | 9,460 | 9,391,509 |
| | | 19,382,292 |
| California 22.1% | | |
| Bay Area Toll Authority, Refunding RB, San Francisco Bay Area, Series F-1, 5.63%, 4/01/44 | 4,445 | 5,029,873 |
| California County Tobacco Securitization Agency, RB, CAB, Stanislaus, Sub-Series C, 6.30%, 6/01/55 (a) | 17,855 | 209,082 |
| California Health Facilities Financing Authority, Refunding RB, Sutter Health, Series B, 6.00%, 8/15/42 | 6,230 | 7,177,209 |
| California State Public Works Board, RB, Various Capital Projects, Sub-Series 1, 6.38%, 11/01/34 | 2,315 | 2,672,274 |
| California Statewide Communities Development Authority, RB, Health Facility Memorial Health Services, Series A, 5.50%, 10/01/33 | 5,000 | 5,215,350 |
| City of Lincoln California, Special Tax Bonds, Community Facilities District No. 2003-1, 6.00%, 9/01/13 (b) | 3,115 | 3,445,377 |
| Foothill Eastern Transportation Corridor Agency California, Refunding RB, CAB (a): 6.09%, 1/15/32 | 54,635 | 16,155,023 |
| 6.09%, 1/15/38 | 75,000 | 13,920,000 |
| Foothill-De Anza Community College District, GO, Series C, 5.00%, 8/01/40 | 7,000 | 7,806,470 |
| Golden State Tobacco Securitization Corp. California, RB, Series 2003-A-1, 6.63%, 6/01/13 (b) | 5,000 | 5,411,350 |
| Los Angeles Department of Airports, RB, Series A, 5.25%, 5/15/39 | 1,560 | 1,736,327 |
| Los Angeles Department of Airports, Refunding RB, Senior Los Angeles International Airport, Series A, 5.00%, 5/15/40 | 11,690 | 12,923,880 |
| Los Angeles Regional Airports Improvement Corp. California, Refunding RB, Facilities LAXFUEL Corp., LA International, AMT (AMBAC), 5.50%, 1/01/32 | 13,320 | 13,327,326 |
| Murrieta Community Facilities District Special Tax California, Special Tax Bonds, District No. 2, The Oaks Improvement Area A, 6.00%, 9/01/34 | 5,000 | 5,009,150 |

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| | Par (000) | Value |
|--|--------------|--------------|
| Municipal Bonds | | |
| California (concluded) | | |
| State of California, GO, Various Purposes: | | |
| 6.00%, 3/01/33 | \$ 4,970 | \$ 5,903,465 |
| 6.50%, 4/01/33 | 20,410 | 25,103,075 |
| 5.00%, 10/01/41 | 5,935 | 6,426,418 |
| West Valley-Mission Community College District, GO, Election of 2004, Series A (AGM), 4.75%, 8/01/30 | | |
| | 4,015 | 4,292,999 |
| | | 141,764,648 |
| Colorado 1.5% | | |
| City of Colorado Springs Colorado, RB, Subordinate Lien, Improvement, Series C (AGM), 5.00%, 11/15/45 | | |
| | 2,115 | 2,216,605 |
| Colorado Health Facilities Authority, Refunding RB, Catholic Health, Series A, 5.50%, 7/01/34 | | |
| | 4,205 | 4,654,514 |
| Park Creek Metropolitan District Colorado, Refunding RB, Senior, Limited Tax, Property Tax, 5.50%, 12/01/37 | | |
| | 2,530 | 2,573,946 |
| | | 9,445,065 |
| Connecticut 0.5% | | |
| Connecticut State Health & Educational Facility Authority, RB, Ascension Health Senior Credit, 5.00%, 11/15/40 | | |
| | 2,710 | 2,912,193 |
| Delaware 1.6% | | |
| County of Sussex Delaware, RB, NRG Energy, Inc., Indian River Project, 6.00%, 10/01/40 | | |
| | 2,225 | 2,306,747 |
| Delaware State EDA, RB, Exempt Facilities, Indian River Power, 5.38%, 10/01/45 | | |
| | 7,950 | 8,028,864 |
| | | 10,335,611 |
| District of Columbia 4.1% | | |
| District of Columbia Tobacco Settlement Financing Corp., Refunding RB, Asset-Backed, 6.75%, 5/15/40 | | |
| | 23,035 | 23,304,970 |
| Metropolitan Washington Airports Authority, RB, First Senior Lien, Series A: | | |
| 5.00%, 10/01/39 | 990 | 1,073,804 |
| 5.25%, 10/01/44 | 1,545 | 1,677,715 |
| | | 26,056,489 |
| Florida 3.8% | | |
| County of Miami-Dade Florida, Refunding RB, Miami International Airport, Series A-1, 5.38%, 10/01/41 | | |
| | 2,280 | 2,519,879 |
| Highlands County Florida Health Facilities Authority, Series 2006-G, 5.13%, 11/15/32 (c) | | |
| | 1,000 | 1,049,420 |

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Schedule of Investments (continued)

BlackRock Municipal Income Trust (BFK)
(Percentages shown are based on Net Assets)

| | Par (000) | Value |
|--|--------------|--------------|
| Municipal Bonds | | |
| Florida (concluded) | | |
| Miami Beach Health Facilities Authority, RB, Mount Sinai Medical Center of Florida, 6.75%, 11/15/21 | \$ 6,575 | \$ 6,949,249 |
| Mid-Bay Bridge Authority, RB, Series A, 7.25%, 10/01/40 | 4,450 | 4,755,403 |
| Stevens Plantation Community Development District, Special Assessment Bonds, Series A, 7.10%, 5/01/35 | 3,650 | 3,108,997 |
| Village Community Development District No. 6, Special Assessment Bonds, 5.63%, 5/01/22 | 6,035 | 6,080,383 |
| | | 24,463,331 |
| Georgia 1.8% | | |
| DeKalb Private Hospital Authority, Refunding RB, Children s Healthcare, 5.25%, 11/15/39 | 1,650 | 1,782,182 |
| Metropolitan Atlanta Rapid Transit Authority, Sales Tax RB, Third Series, 5.00%, 7/01/39 | 5,000 | 5,441,750 |
| Richmond County Development Authority, Refunding RB, International Paper Co. Project, Series A, AMT, 6.00%, 2/01/25 | 4,000 | 4,044,520 |
| | | 11,268,452 |
| Guam 0.7% | | |
| Territory of Guam, GO, Series A: 6.00%, 11/15/19 | 1,245 | 1,369,898 |
| 6.75%, 11/15/29 | 1,775 | 1,889,559 |
| 7.00%, 11/15/39 | 1,255 | 1,329,221 |
| | | 4,588,678 |
| Hawaii 0.5% | | |
| State of Hawaii, Refunding RB, Series A, 5.25%, 7/01/30 | 2,660 | 2,965,953 |
| Illinois 9.9% | | |
| Chicago Board of Education Illinois, GO, Series A: 5.50%, 12/01/39 | 4,110 | 4,656,959 |
| 5.00%, 12/01/41 | 1,355 | 1,450,650 |
| City of Chicago Illinois, RB: O Hare International Airport, General, Third Lien, Series C, 6.50%, 1/01/41 | 11,385 | 13,758,089 |
| Series A, 5.25%, 1/01/38 | 1,605 | 1,809,894 |
| City of Chicago Illinois Transit Authority, Sales Tax Receipts RB, Sales Tax Receipts Revenue, 5.25%, 12/01/40 | 2,055 | 2,292,127 |
| Illinois Finance Authority, RB: Advocate Health Care, Series C, 5.38%, 4/01/44 | 10,630 | 11,415,876 |

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MJH Education Assistance IV
 LLC, Sub-Series B, 5.38%,
 6/01/35 (d)(e)

1,675 251,317

| | Par (000) | Value |
|--|--------------|--------------|
| Municipal Bonds | | |
| Illinois (concluded) | | |
| Illinois Finance Authority, RB (concluded): | | |
| Navistar International Recovery Zone, 6.50%, 10/15/40 | \$ 3,010 | \$ 3,193,911 |
| Illinois Finance Authority, Refunding RB: Central Dupage Health, Series B, 5.50%, 11/01/39 | 3,160 | 3,455,365 |
| Elmhurst Memorial Healthcare, 5.63%, 1/01/28 | 3,000 | 3,032,010 |
| Friendship Village Schaumburg, Series A, 5.63%, 2/15/37 | 845 | 711,676 |
| Metropolitan Pier & Exposition Authority, Refunding RB, McCormick Place Expansion Project (AGM): Series B, 5.00%, 6/15/50 | 3,905 | 4,015,043 |
| Series B-2, 5.00%, 6/15/50 | 6,155 | 6,330,602 |
| Railsplitter Tobacco Settlement Authority, RB: 5.50%, 6/01/23 | 2,625 | 2,994,915 |
| 6.00%, 6/01/28 | 2,245 | 2,517,363 |
| State of Illinois, RB, Build Illinois, Series B, 5.25%, 6/15/34 | 1,240 | 1,373,089 |
| | | 63,258,886 |
| Indiana 3.3% | | |
| City of Vincennes Indiana, Refunding RB, Southwest Indiana Regional Youth Village, 6.25%, 1/01/24 | 1,925 | 1,162,450 |
| Indiana Finance Authority, RB: First Lien, CWA Authority, Series A, 5.25%, 10/01/38 | 3,080 | 3,443,625 |
| Sisters of St. Francis Health, 5.25%, 11/01/39 | 1,655 | 1,777,900 |
| Indiana Health Facility Financing Authority, Refunding RB, Methodist Hospital, Inc., 5.50%, 9/15/31 | 9,000 | 8,464,680 |
| Indiana Municipal Power Agency, RB, Series B, 6.00%, 1/01/39 | 2,150 | 2,452,075 |
| Indianapolis Local Public Improvement Bond Bank, RB, Series K, 5.00%, 6/01/27 | 3,640 | 4,006,803 |
| | | 21,307,533 |
| Iowa 0.6% | | |
| Iowa State Student Loan Liquidity Corp., RB, Senior Series A-1, AMT, 5.15%, 12/01/22 | 3,830 | 4,107,637 |
| Kansas 0.5% | | |
| Kansas Development Finance Authority, Refunding RB, Sisters of Leavenworth, Series A, 5.00%, 1/01/40 | 3,275 | 3,490,659 |

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Schedule of Investments (continued)

BlackRock Municipal Income Trust (BFK)
(Percentages shown are based on Net Assets)

| | Par (000) | Value |
|---|--------------|--------------|
| Municipal Bonds | | |
| Kentucky 0.3% | | |
| Kentucky Economic Development Finance Authority, RB, Owensboro Medical Health System, Series A, 6.38%, 6/01/40 | \$ 1,490 | \$ 1,645,198 |
| Louisiana 1.9% | | |
| Louisiana Local Government Environmental Facilities & Community Development Authority, RB, Westlake Chemical Corp., Series A-1, 6.50%, 11/01/35 | 6,535 | 7,137,004 |
| Parish of Saint John the Baptist Louisiana, RB, Marathon Oil Corp., Series A, 5.13%, 6/01/37 | 5,040 | 5,109,804 |
| | | 12,246,808 |
| Maryland 1.3% | | |
| Maryland EDC, RB, Transportation Facilities Project, Series A, 5.75%, 6/01/35 | 855 | 882,027 |
| Maryland EDC, Refunding RB, CNX Marine Terminals, Inc., 5.75%, 9/01/25 | 1,760 | 1,824,275 |
| Maryland Health & Higher Educational Facilities Authority, Refunding RB, Charlestown Community, 6.25%, 1/01/41 | 4,295 | 4,735,710 |
| Montgomery County Housing Opportunities Commission, RB, Series D, AMT, 5.50%, 1/01/38 | 825 | 877,569 |
| | | 8,319,581 |
| Massachusetts 0.6% | | |
| Massachusetts Health & Educational Facilities Authority, Refunding RB, Partners Healthcare, Series J1, 5.00%, 7/01/39 | 3,535 | 3,769,158 |
| Michigan 1.6% | | |
| Kalamazoo Hospital Finance Authority, Refunding RB, Bronson Methodist Hospital, 5.50%, 5/15/36 | 2,700 | 2,910,060 |
| Lansing Board of Water & Light Utilities, RB, Series A, 5.50%, 7/01/41 | 2,870 | 3,332,013 |
| Michigan State Hospital Finance Authority, Refunding RB, Henry Ford Health System, Series A, 5.25%, 11/15/46 | 4,230 | 4,342,264 |
| | | 10,584,337 |
| Minnesota 2.2% | | |
| Tobacco Securitization Authority Minnesota, Refunding RB, Tobacco Settlement, Series B: 5.25%, 3/01/25 | 8,780 | 9,922,717 |

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| | | |
|---|----------------------|---------------|
| 5.25%, 3/01/31 | 3,700 | 4,013,390 |
| | | 13,936,107 |
| | Par (000) | Value |
| Municipal Bonds | | |
| Mississippi 2.2% | | |
| City of Gulfport Mississippi, RB, Memorial Hospital at Gulfport Project, Series A, 5.75%, 7/01/31 | \$ 14,025 | \$ 14,041,550 |
| Missouri 0.3% | | |
| Missouri State Health & Educational Facilities Authority, RB, Senior Living Facilities, Lutheran Senior Home, 5.50%, 2/01/42 | 2,035 | 2,063,917 |
| Multi-State 2.7% | | |
| Centerline Equity Issuer Trust, 6.80%, 10/31/52 (f)(g) | 16,000 | 17,326,080 |
| Nebraska 0.6% | | |
| Douglas County Hospital Authority No. 2, RB, Health Facilities, Immanuel Obligation Group, 5.63%, 1/01/40 | 3,280 | 3,527,870 |
| Lancaster County Hospital Authority No. 1, RB, Immanuel Obligation Group, 5.63%, 1/01/40 | 600 | 637,536 |
| | | 4,165,406 |
| Nevada 0.7% | | |
| County of Clark Nevada, Refunding RB, Alexander Dawson School Nevada Project, 5.00%, 5/15/29 | 4,550 | 4,776,818 |
| New Hampshire 0.5% | | |
| New Hampshire Health & Education Facilities Authority, RB, Exeter Project, 5.75%, 10/01/31 | 3,500 | 3,541,370 |
| New Jersey 9.6% | | |
| Middlesex County Improvement Authority, RB, Heldrich Center Hotel, Series B, 6.25%, 1/01/37 (d)(e) | 3,680 | 329,360 |
| New Jersey EDA, RB: Cigarette Tax, 5.75%, 6/15/29 | 15,500 | 16,196,570 |
| Continental Airlines Inc. Project, AMT, 6.25%, 9/15/29 | 3,000 | 2,987,070 |
| Continental Airlines Inc. Project, AMT, 7.00%, 11/15/30 (c) | 15,410 | 15,410,616 |
| New Jersey EDA, Special Assessment Bonds, Refunding, Kapkowski Road Landfill Project, 6.50%, 4/01/28 | 8,000 | 8,885,200 |
| New Jersey Transportation Trust Fund Authority, RB, Transportation System: Series A, 5.50%, 6/15/41 | 8,000 | 9,179,120 |
| Series B, 5.25%, 6/15/36 | 4,810 | 5,411,972 |
| Tobacco Settlement Financing Corp. New Jersey, Refunding RB, Series 1A, 4.50%, 6/01/23 | 3,135 | 2,938,404 |
| | | 61,338,312 |

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Schedule of Investments (continued)

BlackRock Municipal Income Trust (BFK)
(Percentages shown are based on Net Assets)

| | Par (000) | Value |
|--|--------------|------------|
| Municipal Bonds | | |
| New York 5.4% | | |
| Albany Industrial Development Agency, RB, New Covenant Charter School Project, Series A, 7.00%, 5/01/35 (d)(e) | \$ 1,820 | \$ 418,691 |
| Metropolitan Transportation Authority, Refunding RB, Transportation, Series D, 5.25%, 11/15/40 | 2,375 | 2,633,875 |
| New York City Industrial Development Agency, RB, American Airlines, Inc., JFK International Airport, AMT (c)(d)(e): 8.00%, 8/01/28 | 5,000 | 4,504,250 |
| 7.75%, 8/01/31 | 22,140 | 19,945,483 |
| New York Liberty Development Corp., Refunding RB, Second Priority, Bank of America Tower at One Bryant Park Project, 6.38%, 7/15/49 | 2,400 | 2,598,000 |
| Port Authority of New York & New Jersey, RB, JFK International Air Terminal: 6.00%, 12/01/36 | 2,525 | 2,733,313 |
| 6.00%, 12/01/42 | 1,960 | 2,114,389 |
| | | 34,948,001 |
| North Carolina 3.8% | | |
| Gaston County Industrial Facilities & Pollution Control Financing Authority North Carolina, RB, Exempt Facilities National Gypsum Co. Project, AMT, 5.75%, 8/01/35 | 12,130 | 9,915,668 |
| North Carolina Capital Facilities Finance Agency, RB, Duke University Project, Series B, 5.00%, 10/01/38 | 10,000 | 11,246,400 |
| North Carolina Medical Care Commission, RB, Duke University Health System, Series A, 5.00%, 6/01/42 | 2,750 | 2,923,140 |
| | | 24,085,208 |
| Ohio 2.4% | | |
| County of Allen Ohio, Refunding RB, Catholic Healthcare, Series A, 5.25%, 6/01/38 | 6,125 | 6,519,695 |
| County of Montgomery Ohio, Refunding RB, Catholic Healthcare, Series A, 5.00%, 5/01/39 | 5,450 | 5,754,601 |
| Pinnacle Community Infrastructure Financing Authority, RB, Facilities, Series A, 6.25%, 12/01/36 | 3,760 | 3,248,602 |
| | | 15,522,898 |
| Oklahoma 0.9% | | |
| Tulsa Airports Improvement Trust, RB, Series A, Mandatory Put Bonds, AMT, 7.75%, 6/01/35 (c)(d)(e) | 7,175 | 5,499,996 |

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| | Par (000) | Value |
|--|--------------|--------------|
| Municipal Bonds | | |
| Pennsylvania 2.0% | | |
| Allegheny County Hospital Development Authority, Refunding RB, Health System, West Penn, Series A, 5.38%, 11/15/40 | \$ 3,000 | \$ 2,446,620 |
| Pennsylvania Economic Development Financing Authority, RB: | | |
| Amtrak Project, Series A, AMT, 6.38%, 11/01/41 | 6,500 | 6,540,170 |
| Aqua Pennsylvania, Inc. Project, 5.00%, 11/15/40 | 3,725 | 4,086,884 |
| | | 13,073,674 |
| Puerto Rico 4.2% | | |
| Puerto Rico Sales Tax Financing Corp., RB: | | |
| CAB, Series A, 6.67%, 8/01/33 (a) | 11,400 | 3,654,498 |
| CAB, Series A, 6.68%, 8/01/36 (a) | 40,000 | 10,411,200 |
| First Sub-Series A, 6.50%, 8/01/44 | 10,900 | 12,843,906 |
| | | 26,909,604 |
| South Carolina 2.5% | | |
| South Carolina Jobs-EDA, Refunding RB, Palmetto Health Alliance, Series A, 6.25%, 8/01/31 | | |
| | 5,075 | 5,216,542 |
| South Carolina State Ports Authority, RB, 5.25%, 7/01/40 | 6,455 | 7,128,514 |
| South Carolina State Public Service Authority, Refunding RB, Santee Cooper Project, Series C, 5.00%, 12/01/36 | | |
| | 3,015 | 3,412,528 |
| | | 15,757,584 |
| Tennessee 0.5% | | |
| Knox County Health Educational & Housing Facilities Board Tennessee, Refunding RB, CAB, Series A (AGM), 5.70%, 1/01/20 (a) | | |
| | 5,055 | 3,311,480 |
| Texas 13.4% | | |
| Brazos River Authority, RB, TXU Electric, Series A, AMT, 8.25%, 10/01/30 | | |
| | 4,370 | 830,475 |
| Central Texas Regional Mobility Authority, RB, Senior Lien, 6.25%, 1/01/46 | | |
| | 4,210 | 4,506,510 |
| City of Dallas Texas, Refunding RB, 5.00%, 10/01/35 | | |
| | 2,970 | 3,386,186 |
| City of Houston Texas, Refunding RB: Airport System, Senior Lien, Series A, 5.50%, 7/01/39 | | |
| | 3,000 | 3,309,450 |
| Combined First Lien, Series A (AGC), 6.00%, 11/15/35 | | |
| | 16,425 | 19,795,738 |
| Harris County-Houston Sports Authority, Refunding RB (NPFGC) (a): CAB, Junior Lien, Series H, 6.12%, 11/15/35 | | |
| | 5,000 | 1,030,650 |

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Schedule of Investments (continued)

BlackRock Municipal Income Trust (BFK)
(Percentages shown are based on Net Assets)

| Municipal Bonds | Par (000) | Value |
|--|--------------|--------------|
| Texas (concluded) | | |
| Harris County-Houston Sports Authority, Refunding RB (NPFGC) (a) (concluded): | | |
| CAB, Senior Lien, Series A, 5.96%, 11/15/38 | \$ 12,580 | \$ 2,209,048 |
| Third Lien, Series A-3, 5.97%, 11/15/37 | 26,120 | 4,656,151 |
| Lower Colorado River Authority, Refunding RB: | | |
| (NPFGC), 5.00%, 5/15/13 (b) | 55 | 58,353 |
| LCRA Transmission Services Project (AMBAC), 4.75%, 5/15/34 | 140 | 140,094 |
| Series A (NPFGC), 5.00%, 5/15/13 (b) | 5 | 5,305 |
| North Texas Tollway Authority, Refunding RB, Toll Second Tier, Series F, 6.13%, 1/01/31 | 12,180 | 13,420,046 |
| San Antonio Energy Acquisition Public Facility Corp., RB, Gas Supply, 5.50%, 8/01/25 | 6,540 | 7,168,559 |
| Tarrant County Cultural Education Facilities Finance Corp., RB, Scott & White Healthcare, 6.00%, 8/15/45 | 7,930 | 9,012,207 |
| Texas Private Activity Bond Surface Transportation Corp., RB, Senior Lien: Senior Lien Infrastructure, 7.00%, 6/30/40 | 7,975 | 8,983,519 |
| Senior Lien, NTE Mobility Partners LLC, North Tarrant Express Managed Lanes Project, 6.88%, 12/31/39 | 6,500 | 7,230,015 |
| | | 85,742,306 |
| Utah 1.2% | | |
| City of Riverton Utah, RB, IHC Health Services, Inc., 5.00%, 8/15/41 | 7,150 | 7,698,048 |
| Virginia 0.8% | | |
| City of Norfolk Virginia, Refunding RB, Series B (AMBAC), 5.50%, 2/01/31 | 2,240 | 2,241,859 |
| Virginia Commonwealth Transportation Board, RB, CAB, Contract, Route 28 (NPFGC), 5.30%, 4/01/32 (a) | 8,105 | 2,818,514 |
| | | 5,060,373 |
| Washington 0.7% | | |
| Washington Health Care Facilities Authority, RB, Swedish Health Services, Series A, 6.75%, 11/15/41 | 3,900 | 4,576,065 |
| Wisconsin 2.2% | | |
| Wisconsin Health & Educational Facilities Authority, RB: | 3,210 | 3,540,213 |

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| | | |
|---|-------|-----------|
| Ascension Health Senior Care Group, 5.00%, 11/15/30 | | |
| Ascension Health Senior Care Group, 5.00%, 11/15/33 | 1,640 | 1,779,580 |

| | Par (000) | Value |
|--|--------------|--------------|
| Municipal Bonds | | |
| Wisconsin (concluded) | | |
| Wisconsin Health & Educational Facilities Authority, RB (concluded): | | |
| Aurora Health, Senior Credit Group, 6.40%, 4/15/33 | \$ 7,500 | \$ 7,712,775 |
| Wisconsin Health & Educational Facilities Authority, Refunding RB, Froedtert & Community Health, Inc., 5.38%, 10/01/30 | 1,205 | 1,218,785 |
| | | 14,251,353 |
| Total Municipal Bonds 119.1% | | 764,065,949 |

Municipal Bonds Transferred to Tender Option Bond (TOB) Trusts (h)

| | | |
|---|--------|------------|
| Alabama 0.7% | | |
| Alabama Special Care Facilities Financing Authority-Birmingham, Refunding RB, Ascension Health Senior Credit, Series C-2, 5.00%, 11/15/36 | 4,548 | 4,772,702 |
| Arizona 0.8% | | |
| Salt River Project Agricultural Improvement & Power District, RB, Series A, 5.00%, 1/01/38 | 4,759 | 5,212,326 |
| California 7.8% | | |
| California Educational Facilities Authority, RB, University of Southern California, Series B, 5.25%, 10/01/39 | 5,115 | 5,736,524 |
| Los Angeles Community College District California, GO, Election of 2001, Series A (AGM), 5.00%, 8/01/32 | 4,500 | 4,922,145 |
| San Diego Community College District California, GO, Election of 2002, 5.25%, 8/01/33 | 3,260 | 3,742,856 |
| San Francisco City & County Public Utilities Commission, RB, Series B, 5.00%, 11/01/39 | 18,540 | 20,478,728 |
| University of California, RB: Limited Project, Series B, 4.75%, 5/15/38 | 9,838 | 10,087,961 |
| Series C (NPFGC), 4.75%, 5/15/37 | 5,000 | 5,132,050 |
| | | 50,100,264 |
| Colorado 2.0% | | |
| Colorado Health Facilities Authority, RB, Catholic Health: Series C-3 (AGM), 5.10%, 10/01/41 | 7,600 | 7,997,404 |
| Series C-7, 5.00%, 9/01/36 | 4,860 | 5,120,642 |
| | | 13,118,046 |

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Schedule of Investments (continued)

BlackRock Municipal Income Trust (BFK)
(Percentages shown are based on Net Assets)

| | Par (000) | Value |
|--|--------------|---------------|
| Municipal Bonds Transferred to Tender Option Bond (TOB) Trusts (h) | | |
| Connecticut 3.4% | | |
| Connecticut State Health & Educational Facility Authority, RB, Yale University: | | |
| Series T-1, 4.70%, 7/01/29 | \$ 9,400 | \$ 10,874,766 |
| Series X-3, 4.85%, 7/01/37 | 9,360 | 10,699,978 |
| | | 21,574,744 |
| Florida 1.2% | | |
| County of Miami-Dade Florida, RB, Water & Sewer System, 5.00%, 10/01/34 | 6,629 | 7,366,453 |
| Massachusetts 2.7% | | |
| Massachusetts School Building Authority, RB, Senior Series B, 5.00%, 10/15/41 | 8,860 | 10,046,620 |
| Massachusetts Water Resources Authority, Refunding RB, General, Series A, 5.00%, 8/01/41 | 6,770 | 7,485,318 |
| | | 17,531,938 |
| New Hampshire 0.7% | | |
| New Hampshire Health & Education Facilities Authority, Refunding RB, Dartmouth College, 5.25%, 6/01/39 | 3,988 | 4,563,562 |
| New York 12.8% | | |
| Hudson New York Yards Infrastructure Corp., RB, Senior Series A, 5.75%, 2/15/47 | 3,130 | 3,536,633 |
| New York City Municipal Water Finance Authority, Water & Sewer, RB, Second General Resolution, Series HH, 5.00%, 6/15/31 | 16,393 | 19,068,232 |
| New York City Municipal Water Finance Authority, Water & Sewer System, RB, Series FF-2, 5.50%, 6/15/40 | 3,074 | 3,539,579 |
| New York Liberty Development Corp., RB, 1 World Trade Center Port Authority Construction, 5.25%, 12/15/43 | 20,865 | 23,703,266 |
| New York Liberty Development Corp., Refunding RB, 4 World Trade Center Project, 5.75%, 11/15/51 | 12,610 | 14,349,297 |
| New York State Dormitory Authority, ERB, Series F, 5.00%, 3/15/35 | 16,708 | 18,133,419 |
| | | 82,330,426 |
| Texas 1.2% | | |
| Metropolitan Transit Authority of Harris County Texas, RB, Series A, 5.00%, 11/01/41 | 6,650 | 7,514,566 |
| Virginia 1.9% | | |
| University of Virginia, Refunding RB, General, 5.00%, 6/01/40 | 10,767 | 11,974,603 |

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| | Par (000) | Value |
|--|---------------|----------------|
| Municipal Bonds Transferred to Tender Option Bond (TOB) Trusts (h) | | |
| Washington 3.5% | | |
| Central Puget Sound Regional Transit Authority, RB, Series A (AGM), 5.00%, 11/01/32 | \$ 5,459 | \$ 6,052,730 |
| State of Washington, GO, Various Purpose, Series E, 5.00%, 2/01/34 | 14,487 | 16,382,829 |
| | | 22,435,559 |
| Total Municipal Bonds Transferred to Tender Option Bond (TOB) Trusts 38.7% | | 248,495,189 |
| Total Long-Term Investments (Cost \$960,772,519) 157.8% | | 1,012,561,138 |
| Short-Term Securities | | |
| Michigan 1.0% | | |
| Michigan Finance Authority, RB, SAN, Detroit Schools, Series A-1, 6.45%, 2/20/12 | 6,375 | 6,375,000 |
| | Shares | |
| Money Market Funds 2.0% | | |
| FFI Institutional Tax-Exempt Fund, 0.01% (i)(j) | 12,998,977 | 12,998,977 |
| Total Short-Term Securities (Cost \$19,373,977) 3.0% | | 19,373,977 |
| Total Investments (Cost - \$980,146,496*) 160.8% | | 1,031,935,115 |
| Other Assets Less Liabilities 1.9% | | 12,106,549 |
| Liability for TOB Trust Certificates, Including Interest Expense and Fees Payable (20.5)% | | (131,394,644) |
| AMPS, at Redemption Value (42.2)% | | (270,800,043) |
| Net Assets Applicable to Common Shares 100.0% | | \$ 641,846,977 |

* As of January 31, 2012, gross unrealized appreciation and gross unrealized depreciation based on cost for federal income tax purposes were as follows:

| | |
|-------------------------------|----------------|
| Tax cost | \$ 847,527,353 |
| Gross unrealized appreciation | \$ 75,584,383 |
| Gross unrealized depreciation | (22,527,624) |
| Net unrealized appreciation | \$ 53,056,759 |

- (a) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.
- (b) US government securities, held in escrow, are used to pay interest on this security, as well as to retire the bond in full at the date indicated, typically at a premium to par.
- (c) Variable rate security. Rate shown is as of report date.
- (d) Issuer filed for bankruptcy and/or is in default of interest payments.

Schedule of Investments (concluded)

BlackRock Municipal Income Trust (BFK)

- (e) Non-income producing security.
- (f) Security exempt from registration pursuant to Rule 144A under the Securities Act of 1933. These securities may be resold in transactions exempt from registration to qualified institutional investors.
- (g) Security represents a beneficial interest in a trust. The collateral deposited into the trust is federally tax-exempt revenue bonds issued by various state or local governments, or their respective agencies or authorities. The security is subject to remarketing prior to its stated maturity.
- (h) Securities represent bonds transferred to a TOB in exchange for which the Trust acquired residual interest certificates. These securities serve as collateral in a financing transaction.
- (i) Investments in companies considered to be an affiliate of the Trust during the period, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

| Affiliate | Shares Held at April 30, 2011 | Net Activity | Shares Held at January 31, 2012 | Income |
|-----------------------------------|-------------------------------------|-----------------|--|----------|
| FFI Institutional Tax-Exempt Fund | 30,616,864 | (17,617,887) | 12,998,977 | \$ 4,970 |

- (j) Represents the current yield as of report date.

Portfolio Abbreviations

To simplify the listings of portfolio holdings in the Schedule of Investments, the names and descriptions of many of the securities have been abbreviated according to the following list:

| | |
|-------|---|
| AGC | Assured Guaranty Corp. |
| AGM | Assured Guaranty Municipal Corp. |
| AMBAC | American Municipal Bond Assurance Corp. |
| AMT | Alternative Minimum Tax (subject to) |
| CAB | Capital Appreciation Bonds |
| EDA | Economic Development Authority |
| EDC | Economic Development Corp. |
| ERB | Education Revenue Bonds |
| GO | General Obligation Bonds |
| NPFGC | National Public Finance Guarantee Corp. |
| RB | Revenue Bonds |
| SAN | State Aid Notes |

Financial futures contracts sold as of January 31, 2012 were as follows:

| Contracts | Issue | Exchange | Expiration | Notional Value | Unrealized Depreciation |
|-----------|--------------------------|------------------------|------------|-------------------|----------------------------|
| 143 | 10-Year US Treasury Note | Chicago Board of Trade | March 2012 | \$ 18,911,750 | \$ (250,522) |

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Fair Value Measurements - Various inputs are used in determining the fair value of investments and derivative financial instruments. These inputs are categorized into a disclosure hierarchy consisting of three broad levels for financial reporting purposes as follows:

Level 1 unadjusted price quotations in active markets/exchanges for identical assets and liabilities

Level 2 other observable inputs (including, but not limited to: quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates) or other market- corroborated inputs)

Level 3 unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available (including the Trust's own assumptions used in determining the fair value of investments and derivative financial instruments)

Changes in valuation techniques may result in transfers in or out of an assigned level within the disclosure hierarchy. The categorization of a value determined for investments and derivative financial instruments is based on the pricing transparency of the investment and derivative financial instrument and does not necessarily correspond to the Trust's perceived risk of investing in those securities. For information about the Trust's policy regarding valuation of investments and derivative financial instruments and other significant accounting policies, please refer to the Trust's most recent financial statements as contained in its semi-annual report.

The following tables summarize the inputs used as of January 31, 2012 in determining the fair valuation of the Trust's investments and derivative financial instruments:

| Valuation Inputs | Level 1 | Level 2 | Level 3 | Total |
|------------------------------------|----------------------|-------------------------|---------|-------------------------|
| Assets: | | | | |
| Investments: | | | | |
| Long-Term Investments ¹ | | \$ 1,012,561,138 | | \$ 1,012,561,138 |
| Short-Term Securities | \$ 12,998,977 | 6,375,000 | | 19,373,977 |
| Total | \$ 12,998,977 | \$ 1,018,936,138 | | \$ 1,031,935,115 |

¹ See above Schedule of Investments for values in each state or political subdivision.

| Valuation Inputs | Level 1 | Level 2 | Level 3 | Total |
|---|--------------|---------|---------|--------------|
| Derivative Financial Instruments ² | | | | |
| Liabilities: | | | | |
| Interest rate contracts | \$ (250,522) | | | \$ (250,522) |

² Derivative financial instruments are financial futures contracts, which are valued at the unrealized appreciation/depreciation on the instrument.

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Item 2 – Controls and Procedures

2(a) – The registrant’s principal executive and principal financial officers, or persons performing similar functions, have concluded that the registrant’s disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940, as amended (the “1940 Act”)) are effective as of a date within 90 days of the filing of this report based on the evaluation of these controls and procedures required by Rule 30a-3(b) under the 1940 Act and Rule 13a-15(b) under the Securities Exchange Act of 1934, as amended.

2(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) 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

Certifications – Attached hereto

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.

BlackRock Municipal Income Trust

By: /s/ John M. Perlowski
John M. Perlowski
Chief Executive Officer (principal executive officer) of
BlackRock Municipal Income Trust

Date: March 23, 2012

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/ John M. Perlowski
John M. Perlowski
Chief Executive Officer (principal executive officer) of
BlackRock Municipal Income Trust

Date: March 23, 2012

By: /s/ Neal J. Andrews
Neal J. Andrews
Chief Financial Officer (principal financial officer) of
BlackRock Municipal Income Trust

Date: March 23, 2012

