

EATON VANCE MICHIGAN MUNICIPAL INCOME TRUST  
Form N-Q  
April 26, 2012

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**Form N-Q**

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

**811-09141**

**Investment Company Act File Number**

**Eaton Vance Michigan Municipal Income Trust**

(Exact Name of Registrant as Specified in Charter)

Two International Place, Boston, Massachusetts 02110

(Address of Principal Executive Offices)

Maureen A. Gemma

Two International Place, Boston, Massachusetts 02110

(Name and Address of Agent for Services)

(617) 482-8260

(Registrant's Telephone Number, Including Area Code)

November 30

Date of Fiscal Year End

February 29, 2012

Date of Reporting Period

**Item 1. Schedule of Investments**

## Eaton Vance

## Michigan Municipal Income Trust

February 29, 2012

## PORTFOLIO OF INVESTMENTS (Unaudited)

Tax-Exempt Investments 152.5%

|   | N(000.000.000<br>Principal<br>Amount<br>(000 s omitted) | N(000.000.000<br>Value |
|---|---|------------------------|
| <b>Security</b>   |   |                        |
| <b>Bond Bank 2.3%</b>   |   |                        |
| Michigan Municipal Bond Authority, (Clean Water Revenue), 5.00%, 10/1/29 <sup>(1)</sup>                               | \$ 600  | \$ 689,448             |
|   |   | <b>\$ 689,448</b>      |
| <b>Education 9.7%</b>   |   |                        |
| Grand Valley State University, 5.625%, 12/1/29  | \$ 525  | \$ 589,712             |
| Grand Valley State University, 5.75%, 12/1/34   | 525   | 591,817                |
| Michigan Higher Education Facilities Authority, (Hillsdale College), 5.00%, 3/1/35                                    | 200   | 202,796                |
| Michigan State University, 5.00%, 2/15/40   | 1,000   | 1,095,060              |
| Michigan State University, 5.00%, 2/15/44   | 460   | 500,406                |
|   |   | <b>\$ 2,979,791</b>    |
| <b>Electric Utilities 1.9%</b>  |   |                        |
| Lansing Board of Water and Light, 5.50%, 7/1/41   | \$ 500  | \$ 580,135             |
|   |   | <b>\$ 580,135</b>      |
| <b>Escrowed/Prerefunded 9.8%</b>  |   |                        |
| East Grand Rapids Public Schools, Prerefunded to 5/1/12, 5.00%, 5/1/25  | \$ 500  | \$ 504,195             |
| Macomb County Hospital Finance Authority, (Mount Clemens General Hospital), Prerefunded to 11/15/13, 5.875%, 11/15/34 | 560   | 613,446                |
| Michigan Higher Education Facilities Authority, (Creative Studies), Prerefunded to 6/1/12, 5.90%, 12/1/27             | 1,250   | 1,268,200              |
| Puerto Rico Electric Power Authority, Prerefunded to 7/1/12, 5.25%, 7/1/31  | 600   | 616,434                |
|   |   | <b>\$ 3,002,275</b>    |
| <b>General Obligations 23.6%</b>  |   |                        |
| Ann Arbor School District, 4.50%, 5/1/24  | \$ 350  | \$ 377,486             |
| Charter County of Wayne, 6.75%, 11/1/39   | 490   | 553,421                |
| Comstock Park Public Schools, 5.00%, 5/1/28   | 230   | 258,490                |
| Comstock Park Public Schools, 5.125%, 5/1/31  | 275   | 306,702                |
| Comstock Park Public Schools, 5.25%, 5/1/33   | 220   | 244,587                |
| Jenison Public Schools, 5.00%, 5/1/28   | 500   | 554,040                |
| Jenison Public Schools, 5.00%, 5/1/30   | 500   | 549,530                |
| Kent County, 5.00%, 1/1/25  | 1,500   | 1,703,535              |
| Kent County, (AMT), 5.00%, 1/1/28   | 1,000   | 1,123,230              |
| Michigan, 5.00%, 11/1/20  | 1,000   | 1,225,510              |
| Michigan, 5.50%, 11/1/25  | 270   | 319,140                |

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\$ 7,215,671

**Hospital 25.4%**

|   |    |       |    |           |
|---|----|-------|----|-----------|
| Gaylord Hospital Finance Authority, (Otsego Memorial Hospital Association), 6.20%, 1/1/25 | \$ | 185   | \$ | 185,076   |
| Gaylord Hospital Finance Authority, (Otsego Memorial Hospital Association), 6.50%, 1/1/37 |    | 125   |    | 123,620   |
| Kent Hospital Finance Authority, (Spectrum Health), 5.50% to 1/15/15 (Put Date), 1/15/47  |    | 275   |    | 310,434   |
| Mecosta County, (Michigan General Hospital), 6.00%, 5/15/18                               |    | 410   |    | 410,533   |
| Michigan Hospital Finance Authority, (Henry Ford Health System), 5.00%, 11/15/38          |    | 675   |    | 688,135   |
| Michigan Hospital Finance Authority, (Henry Ford Health System), 5.25%, 11/15/46          |    | 1,000 |    | 1,034,580 |
| Michigan Hospital Finance Authority, (McLaren Healthcare), 5.00%, 8/1/35                  |    | 1,080 |    | 1,104,646 |

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|   | N(000,000,000)<br>Principal<br>Amount<br>(000 s omitted) | N(000,000,000)<br>Value |
|---|--|-------------------------|
| <b>Security</b>   |  |                         |
| Michigan Hospital Finance Authority, (Memorial Healthcare Center), 5.875%, 11/15/21         | \$ 750   | \$ 751,072              |
| Michigan Hospital Finance Authority, (MidMichigan Obligated Group), 6.125%, 6/1/39          | 500  | 556,155                 |
| Michigan Hospital Finance Authority, (Trinity Health Corp.), 5.00%, 12/1/27                 | 1,000  | 1,131,970               |
| Monroe County Hospital Finance Authority, (Mercy Memorial Hospital Corp.), 5.375%, 6/1/26   | 425  | 433,895                 |
| Saginaw Hospital Finance Authority, (Covenant Medical Center, Inc.), 5.00%, 7/1/30          | 1,000  | 1,027,730               |
|   |  | <b>\$ 7,757,846</b>     |
| <b>Housing 1.8%</b>   |  |                         |
| Michigan Housing Development Authority, 4.60%, 12/1/26                                      | \$ 500   | \$ 536,185              |
|   |  | <b>\$ 536,185</b>       |
| <b>Industrial Development Revenue 4.8%</b>  |  |                         |
| Detroit Local Development Finance Authority, (Chrysler Corp.), 5.375%, 5/1/21               | \$ 750   | \$ 656,520              |
| Dickinson County Economic Development Corp., (International Paper Co.), 5.75%, 6/1/16       | 800  | 807,904                 |
|   |  | <b>\$ 1,464,424</b>     |
| <b>Insured-Education 5.5%</b>   |  |                         |
| Ferris State University, (AGC), 5.125%, 10/1/33   | \$ 570   | \$ 619,733              |
| Ferris State University, (AGC), 5.25%, 10/1/38  | 500  | 540,530                 |
| Wayne State University, (AGM), 5.00%, 11/15/35  | 500  | 537,215                 |
|   |  | <b>\$ 1,697,478</b>     |
| <b>Insured-Electric Utilities 5.7%</b>  |  |                         |
| Michigan Strategic Fund, (Detroit Edison Co.), (XLCA), 5.25%, 12/15/32                      | \$ 400   | \$ 403,764              |
| Puerto Rico Electric Power Authority, (FGIC), (NPFPG), 5.25%, 7/1/30                        | 220  | 257,371                 |
| Puerto Rico Electric Power Authority, (FGIC), (NPFPG), 5.25%, 7/1/32                        | 250  | 293,008                 |
| Puerto Rico Electric Power Authority, (FGIC), (NPFPG), 5.25%, 7/1/34                        | 250  | 284,840                 |
| Puerto Rico Electric Power Authority, (NPFPG), 5.25%, 7/1/29                                | 435  | 508,180                 |
|   |  | <b>\$ 1,747,163</b>     |
| <b>Insured-General Obligations 18.3%</b>  |  |                         |
| Battle Creek School District, (AGM), 5.00%, 5/1/37  | \$ 1,105   | \$ 1,167,477            |
| Byron Center Public Schools, (AGM), 3.75%, 5/1/26   | 650  | 668,993                 |
| Byron Center Public Schools, (AGM), 4.00%, 5/1/28   | 290  | 302,418                 |
| Detroit School District, (AGM), 5.25%, 5/1/32   | 300  | 334,491                 |
| Detroit School District, (FGIC), 4.75%, 5/1/28  | 650  | 650,344                 |
| Hartland Consolidated Schools, (AGM), 5.25%, 5/1/29   | 1,000  | 1,137,500               |
| Van Dyke Public Schools, (AGM), 5.00%, 5/1/38   | 1,250  | 1,329,300               |
|   |  | <b>\$ 5,590,523</b>     |
| <b>Insured-Hospital 2.8%</b>  |  |                         |
| Royal Oak Hospital Finance Authority, (William Beaumont Hospital), (NPFPG), 5.25%, 11/15/35 | \$ 860   | \$ 860,447              |
|   |  | <b>\$ 860,447</b>       |
| <b>Insured-Lease Revenue/Certificates of Participation 7.1%</b>                             |  |                         |
| Michigan Building Authority, (AGM), (FGIC), 0.00%, 10/15/29                                 | \$ 1,000   | \$ 429,740              |
| Michigan Building Authority, (FGIC), (NPFPG), 0.00%, 10/15/30                               | 4,300  | 1,739,866               |



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|   | N(000.000.000)                         | N(000.000.000)         |
|---|--|------------------------|
|   | Principal<br>Amount<br>(000 s omitted) | Value                  |
| <b>Security</b>   |  |                        |
| <b>Insured-Student Loan 3.3%</b>  |  |                        |
| Michigan Higher Education Student Loan Authority, (AMBAC), (AMT), 5.00%, 3/1/31     | \$ 1,000                               | \$ 1,019,980           |
|   |  | <b>\$ 1,019,980</b>    |
| <b>Insured-Transportation 3.4%</b>  |  |                        |
| Wayne County Airport Authority, (AGC), (AMT), 5.375%, 12/1/32                       | \$ 1,000                               | \$ 1,050,120           |
|   |  | <b>\$ 1,050,120</b>    |
| <b>Insured-Water and Sewer 10.9%</b>  |  |                        |
| Detroit, Sewage Disposal System, (AGC), (FGIC), 5.00%, 7/1/36                       | \$ 560                                 | \$ 574,778             |
| Detroit, Water Supply System, (FGIC), (NCFG), 5.00%, 7/1/30                         | 1,650                                  | 1,650,677              |
| Grand Rapids, Water Supply System, (AGC), 5.10%, 1/1/39                             | 1,000                                  | 1,096,200              |
|   |  | <b>\$ 3,321,655</b>    |
| <b>Special Tax Revenue 4.9%</b>   |  |                        |
| Guam, Limited Obligation Bonds, 5.625%, 12/1/29                                     | \$ 115                                 | \$ 123,033             |
| Guam, Limited Obligation Bonds, 5.75%, 12/1/34                                      | 125                                    | 133,145                |
| Michigan Trunk Line Fund, 5.00%, 11/15/36   | 1,000                                  | 1,128,250              |
| Virgin Islands Public Finance Authority, 6.75%, 10/1/37                             | 110                                    | 126,543                |
|   |  | <b>\$ 1,510,971</b>    |
| <b>Water and Sewer 9.7%</b>   |  |                        |
| Ann Arbor, Sewage Disposal System, 4.75%, 7/1/32                                    | \$ 320                                 | \$ 343,206             |
| Detroit, Water Supply System, 5.25%, 7/1/41   | 750                                    | 784,020                |
| Grand Rapids, Sanitary Sewer System, 5.00%, 1/1/28                                  | 790                                    | 978,391                |
| Michigan Municipal Bond Authority, (Clean Water Revenue), 5.00%, 10/1/30            | 500                                    | 579,515                |
| Port Huron, Water Supply System, 5.25%, 10/1/31                                     | 250                                    | 270,843                |
|   |  | <b>\$ 2,955,975</b>    |
| <b>Total Tax-Exempt Investments 152.5%</b><br><b>(identified cost \$43,788,594)</b> |  | <b>\$ 46,629,219</b>   |
| <b>Auction Preferred Shares Plus Cumulative Unpaid Dividends (57.2%)</b>            |  | <b>\$ (17,500,820)</b> |
| <b>Other Assets, Less Liabilities 4.7%</b>  |  | <b>\$ 1,455,245</b>    |
| <b>Net Assets Applicable to Common Shares 100.0%</b>                                |  | <b>\$ 30,583,644</b>   |

The percentage shown for each investment category in the Portfolio of Investments is based on net assets applicable to common shares.

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- AGC - Assured Guaranty Corp.
- AGM - Assured Guaranty Municipal 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.
- FGIC - Financial Guaranty Insurance Company
- NPFG - National Public Finance Guaranty Corp.
- XLCA - XL Capital Assurance, Inc.

The Trust invests primarily in debt securities issued by Michigan 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 February 29, 2012, 38.5% 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 0.9% to 12.7% of total investments.

- (1) Security (or a portion thereof) has been pledged to cover margin requirements on open financial futures contracts.



A summary of open financial instruments at February 29, 2012 is as follows:

**Futures Contracts**

| Expiration Month/Year | Contracts                    | Position | Aggregate Cost | Value        | Net Unrealized Depreciation |
|-----------------------|------------------------------|----------|----------------|--------------|-----------------------------|
| 6/12                  | 7 U.S. 30-Year Treasury Bond | Short    | \$ (985,730)   | \$ (991,594) | \$ (5,864)                  |

At February 29, 2012, the Trust had sufficient cash and/or securities to cover commitments under these contracts.

The Trust is subject to interest rate risk in the normal course of pursuing its investment objective. Because the Trust holds fixed-rate bonds, the value of these bonds may decrease if interest rates rise. The Trust purchases and sells U.S. Treasury futures contracts to hedge against changes in interest rates.

At February 29, 2012, the aggregate fair value of open derivative instruments (not considered to be hedging instruments for accounting disclosure purposes) in a liability position and whose primary underlying risk exposure is interest rate risk was \$5,864.

The cost and unrealized appreciation (depreciation) of investments of the Trust at February 29, 2012, as determined on a federal income tax basis, were as follows:

|                                    |                      |
|------------------------------------|----------------------|
| <b>Aggregate cost</b>              | <b>\$ 43,761,623</b> |
| Gross unrealized appreciation      | \$ 3,072,843         |
| Gross unrealized depreciation      | (205,247)            |
| <b>Net unrealized appreciation</b> | <b>\$ 2,867,596</b>  |

Under generally accepted accounting principles for fair value measurements, a three-tier hierarchy to prioritize the assumptions, referred to as inputs, is used in valuation techniques to measure fair value. The three-tier hierarchy of inputs is summarized in the three broad levels listed below.

Level 1 quoted prices in active markets for identical investments

Level 2 other significant observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)

Level 3 significant unobservable inputs (including a fund's own assumptions in determining the fair value of investments)

In cases where the inputs used to measure fair value fall in different levels of the fair value hierarchy, the level disclosed is determined based on the lowest level input that is significant to the fair value measurement in its entirety. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

At February 29, 2012, the hierarchy of inputs used in valuing the Trust's investments and open derivative instruments, which are carried at value, were as follows:

| Asset Description | Level 1 | Level 2 | Level 3 | Total |
|-------------------|---------|---------|---------|-------|
|-------------------|---------|---------|---------|-------|

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|                          |           |                      |           |                      |
|--------------------------|-----------|----------------------|-----------|----------------------|
| Tax-Exempt Investments   | \$        | \$ 46,629,219        | \$        | \$ 46,629,219        |
| <b>Total Investments</b> | <b>\$</b> | <b>\$ 46,629,219</b> | <b>\$</b> | <b>\$ 46,629,219</b> |

**Liability Description**

|                   |                   |           |           |                   |
|-------------------|-------------------|-----------|-----------|-------------------|
| Futures Contracts | \$ (5,864)        | \$        | \$        | \$ (5,864)        |
| <b>Total</b>      | <b>\$ (5,864)</b> | <b>\$</b> | <b>\$</b> | <b>\$ (5,864)</b> |

The Trust held no investments or other financial instruments as of November 30, 2011 whose fair value was determined using Level 3 inputs. At February 29, 2012, the value of investments transferred between Level 1 and Level 2, if any, during the fiscal year to date then ended was not significant.

For information on the Trust's policy regarding the valuation of investments and other significant accounting policies, please refer to the Trust's most recent financial statements included in its semiannual or annual report to shareholders.

**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 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 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.

**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 Michigan Municipal Income Trust

By: /s/ Cynthia J. Clemson  
Cynthia J. Clemson  
President

Date: April 24, 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/ Cynthia J. Clemson  
Cynthia J. Clemson  
President

Date: April 24, 2012

By: /s/ Barbara E. Campbell  
Barbara E. Campbell  
Treasurer

Date: April 24, 2012