

BLACKROCK MUNICIPAL INCOME TRUST
Form N-Q
March 31, 2008

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: Donald C. Burke, Chief Executive Officer, BlackRock Municipal Income Trust, 800 Scudders Mill Road, Plainsboro, NJ, 08536. Mailing address: P.O. Box 9011, Princeton, NJ, 08543-9011

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

Date of fiscal year end: 10/31/2008

Date of reporting period: 11/01/2007 01/31/2008

BlackRock Municipal Income Trust

| Schedule of Investments as of January 31, 2008 (Unaudited) | | | (in Thousands) |
|--|----------------|--|-------------------|
| State | Face Amount | Municipal Bonds | Value |
| Alabama - 4.0% | \$ 4,545 | Birmingham, Alabama, Special Care Facilities Financing Authority, Revenue Refunding Bonds (Ascension Health Credit), Series C-2, 5% due 11/15/2036 | \$ 4,586 |
| | 3,260 | Birmingham, Alabama, Special Care Facilities Financing Authority, Revenue Refunding Bonds (Ascension Health Credit), Series C-2, 5% due 11/15/2039 | 3,287 |
| | 15,000 | Huntsville, Alabama, Health Care Authority Revenue Bonds, Series B, 5.75% due 6/01/2012 (j) | 16,928 |
| Arizona - 6.5% | 5,336 | Phoenix and Pima County, Arizona, IDA, S/F Mortgage Revenue Refunding Bonds, AMT, Series 2007-1, 5.25% due 8/01/2038 (e)(f) | 5,494 |
| | 4,590 | Pima County, Arizona, IDA, Education Revenue Bonds (American Charter Schools Foundation), Series A, 5.625% due 7/01/2038 | 4,275 |
| | 10,280 | Salt Verde Financial Corporation, Arizona, Senior Gas Revenue Bonds, 5% due 12/01/2032 | 9,574 |
| | 14,395 | Salt Verde Financial Corporation, Arizona, Senior Gas Revenue Bonds, 5% due 12/01/2037 | 13,226 |
| California - 18.3% | 7,000 | Scottsdale, Arizona, IDA, Hospital Revenue Bonds (Scottsdale Healthcare), 5.80% due 12/01/2011 (j) | 7,878 |
| | 3,385 | California County Tobacco Securitization Agency, Tobacco Revenue Bonds (Stanislaus County Tobacco Funding Corporation), Sub-Series B, 5.875% due 6/01/2046 (n) | 232 |
| | 17,855 | California County Tobacco Securitization Agency, Tobacco Revenue Bonds (Stanislaus County Tobacco Funding Corporation), Sub-Series C, 6.30% due 6/01/2055 (n) | 530 |
| | 22,825 | California County Tobacco Securitization Agency, Tobacco Revenue Bonds (Stanislaus County Tobacco Funding Corporation), Sub-Series D, 7.251% due 6/01/2055 (n) | 540 |
| | 11,670 | California State, GO, Refunding, 5% due 6/01/2032 | 11,727 |
| | 7,000 | California State, GO, Refunding, 5% due 6/01/2034 | 7,016 |
| | 5,000 | California Statewide Communities Development Authority, Health Facility Revenue Bonds (Memorial Health Services), Series A, 5.50% due 10/01/2033 | 5,105 |
| | 54,635 | Foothill/Eastern Corridor Agency, California, Toll Road Revenue Refunding Bonds, 6.09% due 1/15/2032 (n) | 13,377 |
| | 20,535 | Foothill/Eastern Corridor Agency, California, Toll Road Revenue Refunding Bonds, 6.019% due 1/15/2034 (n) | 4,446 |
| | 75,000 | Foothill/Eastern Corridor Agency, California, Toll Road Revenue Refunding Bonds, 6.093% due 1/15/2038 (n) | 12,709 |

Portfolio Abbreviations

To simplify the listings of BlackRock Municipal Income Trust's portfolio holdings in the Schedule of Investments, the securities according to the list below.

AMT Alternative Minimum Tax (subject to)

EDA Economic Development Authority
EDR Economic Development Revenue Bonds
GO General Obligation Bonds
HFA Housing Finance Authority

II
M
P
S

BlackRock Municipal Income Trust

Schedule of Investments as of January 31, 2008 (Unaudited)

| State | Face Amount | Municipal Bonds |
|------------------------------------|-------------|---|
| | \$ 10,000 | Golden State Tobacco Securitization Corporation of California, Tobacco Series A-1, 6.625% due 6/01/2013 (j) |
| | 5,000 | Golden State Tobacco Securitization Corporation of California, Tobacco Bonds, Series A, 5% due 6/01/2045 |
| | 3,115 | Lincoln, California, Special Tax Bonds (Community Facilities District Number 2, Series A, 5% due 9/01/2013 (j)) |
| | 13,320 | Los Angeles, California, Regional Airports Improvement Corporation, Finance Refunding Bonds (LAXFUEL Corporation - Los Angeles International Airport), Series A, 5% due 1/01/2032 (b) |
| | 5,000 | Murrieta, California, Community Facilities District Number 2, Special Tax Bonds (Improvement Area Project), Series A, 6% due 9/01/2034 |
| | 10,565 | University of California Revenue Bonds, Series B, 4.75% due 5/15/2038 |
| | 5,000 | University of California Revenue Bonds, Series C, 4.75% due 5/15/2037 |
| | 4,015 | West Valley Mission Community College District, California, GO (Electricity), Series A, 5% due 8/01/2030 (g) |
| Colorado - 1.4% | 2,545 | Colorado Springs, Colorado, Utilities System Improvement Revenue Bonds, Series A, 5% due 11/15/2045 (g) |
| | 3,500 | Denver, Colorado, Health and Hospital Authority, Healthcare Revenue Bonds, Series A, 5% due 12/01/2011 (j) |
| | 2,530 | Park Creek Metropolitan District, Colorado, Senior Limited Tax Support Bonds, Series A, 5.50% due 12/01/2037 |
| District of Columbia - 6.7% | 15,600 | District of Columbia Revenue Bonds (Georgetown University), Series A, 6% due 12/01/2037 |
| | 51,185 | District of Columbia Revenue Bonds (Georgetown University), Series A, 6% due 12/01/2037 |
| | 2,390 | District of Columbia, Revenue Refunding Bonds (Friendship Public Charter School), Series A, 6% due 6/01/2033 (a) |
| | 25,535 | District of Columbia Tobacco Settlement Financing Corporation, Asset-Backed Bonds, 6.75% due 5/15/2040 |
| Florida - 11.3% | 1,905 | Heritage Isle at Viera Community Development District, Florida, Special Tax Bonds, Series A, 6% due 5/01/2035 |
| | 9,670 | Highlands County, Florida, Health Facilities Authority, Hospital Revenue Bonds, Series A, 6% due 11/15/2011 (j) |
| | 11,035 | Jacksonville Electric Authority, Florida, Electric System Revenue Bonds, Series A, 6% due 10/01/2034 (g) |
| | 2,900 | Jacksonville Electric Authority, Florida, Water and Sewer System Revenue Bonds, Series A, 6% due 10/01/2041 (i) |
| | 9,000 | Martin County, Florida, IDA, IDR, Refunding (Indiantown Cogeneration Plant), Series A, 7.875% due 12/15/2025 |

BlackRock Municipal Income Trust

Schedule of Investments as of January 31, 2008 (Unaudited)

| State | Face | | Municipal Bonds |
|-------------------------|-----------|--|--|
| | Amount | | |
| | \$ 11,685 | | Miami Beach, Florida, Health Facilities Authority, Hospital Revenue Refunding Bonds (Medical Center of Florida), 6.75% due 11/15/2021 |
| | 10,830 | | Orange County, Florida, Tourist Development, Tax Revenue Refunding Bonds, 4.75% |
| | 3,880 | | Stevens Plantation Community Development District, Florida, Special Assessment Revenue Bonds, Series A, 7.10% due 5/01/2035 |
| | 8,335 | | Village Community Development District Number 5, Florida, Special Assessment Bonds, Series A, 5.00% due 5/01/2022 |
| Georgia - 0.7% | 4,000 | | Richmond County, Georgia, Development Authority, Environmental Improvement Revenue Bonds (International Paper Co. Projects), AMT, Series A, 6% due 2/01/2025 |
| Idaho - 3.0% | 16,970 | | University of Idaho, Student Fee Revenue Bonds (University Housing Improvement Project), Series A, 4.00% due 4/01/2011 (d)(j) |
| Illinois - 13.7% | 7,120 | | Bolingbrook, Illinois, GO, Refunding, Series B, 6% due 1/01/2033 (d)(n) |
| | 14,085 | | Bolingbrook, Illinois, GO, Refunding, Series B, 6% due 1/01/2034 (d)(n) |
| | 4,630 | | Centerpoint Intermodal Center Program Trust, Illinois, Tax Allocation Bonds, Class A, 5.00% due 6/15/2023 (l) |
| | 8,225 | | Chicago, Illinois, Housing Authority, Capital Program Revenue Refunding Bonds, 5.00% |
| | 7,645 | | Chicago, Illinois, O'Hare International Airport Revenue Refunding Bonds, Third Lien, 5.25% due 1/01/2030 (g) |
| | 7,145 | | Illinois Development Finance Authority, Hospital Revenue Bonds (Adventist Health System - Obligated Group), 5.65% due 11/15/2009 (j) |
| | 760 | | Illinois Educational Facilities Authority, Revenue Refunding Bonds (University of Chicago), 5.25% due 7/01/2041 |
| | 10,000 | | Illinois Educational Facilities Authority, Student Housing Revenue Bonds (Education Trust Fund - University Center Project at DePaul), 6.25% due 5/01/2012 (j) |
| | 5,000 | | Illinois Health Facilities Authority, Revenue Refunding Bonds (Elmhurst Memorial Hospital), 5.00% due 1/01/2022 |
| | 6,000 | | Illinois Health Facilities Authority, Revenue Refunding Bonds (Elmhurst Memorial Hospital), 5.00% due 1/01/2028 |
| | 7,975 | | Illinois Municipal Electric Agency, Power Supply Revenue Bonds, 4.50% due 2/01/2030 |
| | 1,685 | | Illinois State Finance Authority Revenue Bonds (Friendship Village of Schaumburg), Series A, 5.00% due 2/15/2037 |
| | 2,885 | | Illinois State Finance Authority Revenue Bonds (Monarch Landing, Inc. Project), Series A, 5.00% due 12/01/2037 |
| | 3,700 | | Illinois State Finance Authority Revenue Bonds (Northwestern Memorial Hospital), Series A, 5.00% due 8/15/2014 (j) |
| | 1,675 | | Illinois State Financing Authority, Student Housing Revenue Bonds (MJH Education Authority), Sub-Series B, 5.375% due 6/01/2035 |

BlackRock Municipal Income Trust

Schedule of Investments as of January 31, 2008 (Unaudited)

| State | Face Amount | Municipal Bonds |
|-----------------------------|-------------|--|
| | \$ 40,000 | Metropolitan Pier and Exposition Authority, Illinois, Dedicated State Tax Revenue Bonds (Metropolitan Pier and Exposition Authority, Place Expansion), Series A, 6.01% due 12/15/2034 (i)(n) |
| Indiana - 5.9% | 9,000 | Indiana Health Facilities Financing Authority, Hospital Revenue Refunding Bonds (Indiana Health Facilities Financing Authority, Inc.), 5.50% due 9/15/2031 |
| | 10,000 | Petersburg, Indiana, PCR, Refunding (Indianapolis Power & Light Co. Project), 5.50% due 12/01/2024 |
| | 16,000 | Petersburg, Indiana, PCR, Refunding (Indianapolis Power & Light Co. Project), 5.50% due 12/01/2029 |
| | 2,305 | Vincennes, Indiana, EDR, Refunding, 6.25% due 1/01/2024 |
| Kentucky - 0.2% | 1,365 | Kentucky Housing Corporation, Housing Revenue Bonds, AMT, Series F, 5.40% due 12/01/2039 (e)(f) |
| Louisiana - 2.0% | 9,215 | Louisiana Local Government Environmental Facilities and Community Development Bonds (Capital Projects and Equipment Acquisition Program), 6.55% due 9/01/2031 |
| | 3,246 | Saint Tammany Parish, Louisiana, Financing Authority, S/F Mortgage Revenue Bonds (Saint Tammany Parish, Louisiana, Financing Authority, S/F Mortgage Revenue Program), Series A, 5.25% due 12/01/2039 (e)(f) |
| Maryland - 1.6% | 3,200 | Baltimore, Maryland, Wastewater Project Revenue Bonds, Series D, 5% due 12/01/2031 |
| | 2,665 | Maryland State Community Development Administration, Department of Housing and Community Development, Residential Revenue Refunding Bonds, AMT, Series A, 4.65% due 12/01/2031 |
| | 4,205 | Maryland State Health and Higher Educational Facilities Authority, Revenue Bonds (Maryland State Health and Higher Educational Facilities Authority, Revenue Health, Inc.), 5.50% due 8/15/2033 |
| Massachusetts - 1.1% | 6,770 | Massachusetts State Water Resource Authority, General Revenue Refunding Bonds (Massachusetts State Water Resource Authority, General Revenue Refunding Bonds), Series A, 5.25% due 11/15/2046 |
| Michigan - 0.7% | 4,230 | Michigan State Hospital Finance Authority, Revenue Refunding Bonds (Michigan State Hospital Finance Authority, Revenue Refunding Bonds), Series A, 5.25% due 11/15/2046 |
| Mississippi - 3.7% | 18,680 | Gulfport, Mississippi, Hospital Facility Revenue Bonds (Memorial Hospital at Gulfport), 5.75% due 7/01/2031 |
| | 4,845 | Mississippi Business Finance Corporation Revenue Bonds (Northrop Grumman Corporation), 5.50% due 12/01/2028 |
| Missouri - 0.1% | 695 | Missouri Joint Municipal Electric Utility Commission, Power Project Revenue Bonds (Missouri Joint Municipal Electric Utility Commission, Power Project Revenue Project), 4.60% due 1/01/2036 (i) |
| Nebraska - 1.1% | 6,990 | Omaha Public Power District, Nebraska, Electric System Revenue Bonds, Series A, 5.25% due 11/15/2046 |
| Nevada - 1.6% | 5,260 | Clark County, Nevada, EDR, Refunding (Alexander Dawson School of Nevada), 5.50% due 5/15/2029 |
| | 5,000 | Clark County, Nevada, Senior Airport Revenue Bonds, Series A, 5% due 7/01/2031 |
| New Hampshire - 1.2% | 3,500 | New Hampshire Health and Education Facilities Authority Revenue Bonds (New Hampshire Health and Education Facilities Authority Revenue Bonds (EFA Group)), 5.75% due 10/01/2031 |
| | 4,000 | New Hampshire State Business Finance Authority, PCR, Refunding (Public Service Company of New Hampshire), AMT, Series B, 4.75% due 5/01/2021 (i) |

BlackRock Municipal Income Trust

Schedule of Investments as of January 31, 2008 (Unaudited)

| State | Face Amount | Municipal Bonds |
|------------------------------|---|---|
| New Jersey - 8.1% | \$ 3,680 | Middlesex County, New Jersey, Improvement Authority, Subordinate Revenue Bonds (Hotel/Conference Project), Series B, 6.25% due 1/01/2037 |
| | 18,500 | New Jersey EDA, Cigarette Tax Revenue Bonds, 5.75% due 6/15/2029 |
| | 8,000 | New Jersey EDA, EDR, Refunding (Kapkowski Road Landfill Reclamation Improvement Project), 6.50% due 4/01/2028 |
| | 15,410 | New Jersey EDA, Special Facility Revenue Bonds (Continental Airlines Inc. Project), 6.50% due 11/15/2030 |
| | 4,960 | Tobacco Settlement Financing Corporation of New Jersey, Asset-Backed Revenue Bonds, Series 1A, 4.50% due 6/01/2023 |
| New York - 8.0% | 1,820 | Albany, New York, IDA, Civic Facility Revenue Bonds (New Covenant Charter School Project), Series A, 7% due 5/01/2035 |
| | 7,115 | Metropolitan Transportation Authority, New York, Service Contract Revenue Bonds, Series A, 5% due 7/01/2030 (b) |
| | 5,000 | New York City, New York, City IDA, Special Facility Revenue Bonds (American International Airport), AMT, 8% due 8/01/2028 |
| | 22,140 | New York City, New York, City IDA, Special Facility Revenue Bonds (Continental Airport), AMT, 7.75% due 8/01/2031 |
| | 6,025 | New York Liberty Development Corporation Revenue Bonds (Goldman Sachs Project), Series A, 10/01/2035 |
| 5,375 | New York State Environmental Facilities Corporation, State Clean Water and Sewerage Revenue Bonds (New York City Water Project), Series B, 5% due 6/15/2031 | |
| North Carolina - 3.7% | 12,130 | Gaston County, North Carolina, Industrial Facilities and Pollution Control Financing Authority, Revenue Refunding Bonds (National Gypsum Company Project), AMT, 5.75% due 8/01/2035 |
| | 12,550 | North Carolina Capital Facilities Finance Agency, Revenue Refunding Bonds (National Gypsum Company Project), Series B, 4.25% due 7/01/2042 |
| Ohio - 4.8% | 3,120 | Buckeye Tobacco Settlement Financing Authority, Ohio, Tobacco Settlement Financing Authority, Series A-2, 6.50% due 6/01/2047 |
| | 23,820 | Ohio State Air Quality Development Authority, Revenue Refunding Bonds (Dart Industries Company Project), Series B, 4.80% due 1/01/2034 (d) |
| | 3,760 | Pinnacle Community Infrastructure Financing Authority, Ohio, Revenue Bonds (Pinnacle Community Infrastructure Financing Authority), Series A, 12/01/2036 |
| Oklahoma - 2.1% | 5,420 | Oklahoma State Development Finance Authority, Revenue Refunding Bonds (Oklahoma State Development Finance Authority), Series A, 5% due 2/15/2042 |
| | 7,175 | Tulsa, Oklahoma, Municipal Airport Trust, Revenue Refunding Bonds, Series A, 5% due 1/01/2034 |

BlackRock Municipal Income Trust

Schedule of Investments as of January 31, 2008 (Unaudited)

| State | Face Amount | Municipal Bonds |
|------------------------------|-------------|--|
| Pennsylvania - 4.6% | \$ 6,500 | Pennsylvania Economic Development Financing Authority, Exempt Facilities Project), AMT, Series A, 6.375% due 11/01/2041 |
| | 15,580 | Pennsylvania Economic Development Financing Authority, Exempt Facilities Project (Energy), AMT, Series A, 6.75% due 12/01/2036 |
| | 2,500 | Pennsylvania HFA, S/F Mortgage Revenue Refunding Bonds, AMT, Series 97A |
| | 4,000 | Pennsylvania State Higher Educational Facilities Authority Revenue Bonds (L), due 5/01/2034 |
| Puerto Rico - 2.8% | 5,000 | Puerto Rico Commonwealth Highway and Transportation Authority, Transportation Bonds, Series N, 5.25% due 7/01/2036 (c) |
| | 11,000 | Puerto Rico Electric Power Authority, Power Revenue Refunding Bonds, Series A, 5.25% due 7/01/2036 (c) |
| South Carolina - 6.4% | 5,000 | Lexington County, South Carolina, Health Services District Inc., Hospital Revenue Improvement Bonds, 5.50% due 11/01/2013 (j) |
| | 10,000 | Lexington County, South Carolina, Health Services District Inc., Hospital Revenue Improvement Bonds, 5.75% due 11/01/2013 (j) |
| | 6,345 | Scago Education Facilities Corporation for Chesterfield County School District, Revenue Refunding Bonds, 5% due 12/01/2029 (c) |
| | 5,075 | South Carolina Jobs EDA, Hospital Facilities Revenue Refunding Bonds (Palmetto), Series A, 6.25% due 8/01/2031 |
| | 8,010 | South Carolina Jobs EDA, Hospital Facilities Revenue Refunding Bonds (Palmetto), Series C, 6.875% due 8/01/2013 (j) |
| | 990 | South Carolina Jobs EDA, Hospital Facilities Revenue Refunding Bonds (Palmetto), Series C, 6.875% due 8/01/2013 (j) |
| Tennessee - 2.4% | 20,825 | Knox County, Tennessee, Health, Educational and Housing Facilities Board, Hospital Revenue Refunding Bonds (Covenant Health), Series A, 5.70% due 1/01/2020 (g)(n) |
| | 3,475 | Shelby County, Tennessee, Health, Educational and Housing Facility Board, Hospital Revenue Refunding Bonds (Saint Jude Children's Research Hospital), 5% due 7/01/2025 |
| Texas - 13.4% | 5,000 | Harris County-Houston Sports Authority, Texas, Revenue Refunding Bonds, Series A, 6.065% due 11/15/2035 (i)(n) |
| | 12,580 | Harris County-Houston Sports Authority, Texas, Revenue Refunding Bonds, Series A, 5.832% due 11/15/2038 (i)(n) |
| | 26,120 | Harris County-Houston Sports Authority, Texas, Revenue Refunding Bonds, Series A, 5.97% due 11/15/2037 (i)(n) |
| | 50 | Lower Colorado River Authority, Texas, Revenue Refunding Bonds, Series A, 5% due 5/15/2034 (b) |
| | 2,345 | Lower Colorado River Authority, Texas, Revenue Refunding Bonds, Series A, 5% due 5/15/2034 (b) |
| | 5 | Lower Colorado River Authority, Texas, Revenue Refunding Bonds, Series A, 5% due 5/15/2034 (b) |
| | 13,305 | Lower Colorado River Authority, Texas, Transmission Contract Revenue Refunding Bonds (Transmission Services Corp. Project), 4.75% due 5/15/2034 (b) |

BlackRock Municipal Income Trust

Schedule of Investments as of January 31, 2008 (Unaudited)

| State | Face Amount | Municipal Bonds |
|-----------------------------|-------------|---|
| | \$ 1,700 | Montgomery County, Texas, Municipal Utility District Number 46, Waterworks 4.75% due 3/01/2030 (i) |
| | 5,060 | Pearland, Texas, GO, Refunding, 4.75% due 3/01/2029 (d) |
| | 6,540 | SA Energy Acquisition Public Facilities Corporation, Texas, Gas Supply Revenue 8/01/2025 |
| | 4,435 | Texas State Affordable Housing Corporation, M/F Housing Revenue Bonds (AMT Portfolio), Series B, 8% due 3/01/2032 (h) |
| | 35,000 | Texas State Turnpike Authority, Central Texas Turnpike System Revenue Bonds due 8/15/2032 (b)(n) |
| | 62,325 | Texas State Turnpike Authority, Central Texas Turnpike System Revenue Bonds due 8/15/2033 (b)(n) |
| | 65,040 | Texas State Turnpike Authority, Central Texas Turnpike System Revenue Bonds due 8/15/2034 (b)(n) |
| | 8,390 | Texas State Turnpike Authority, Central Texas Turnpike System Revenue Bonds due 8/15/2042 (b) |
| Virginia - 0.4% | 8,105 | Virginia Commonwealth Transportation Board, Transportation Contract Revenue (Route 28 Project), 5.287% due 4/01/2032 (i)(n) |
| Washington - 1.4% | 3,615 | King County, Washington, Sewer Revenue Refunding Bonds, 5% due 1/01/2036 |
| | 5,095 | Washington State Health Care Facilities Authority, Revenue Refunding Bonds (System), Series A, 4.625% due 10/01/2034 (d) |
| West Virginia - 0.3% | 2,070 | West Virginia EDA, Lease Revenue Bonds (Correctional, Juvenile and Public Safety), 5% due 6/01/2029 (i) |
| Wisconsin - 6.4% | 7,500 | Wisconsin State Health and Educational Facilities Authority Revenue Bonds (AMT), 6.40% due 4/15/2033 |
| | 12,545 | Wisconsin State Health and Educational Facilities Authority, Revenue Refunding Bonds (Community Health), 5.375% due 10/01/2011 (j) |
| | 1,205 | Wisconsin State Health and Educational Facilities Authority, Revenue Refunding Bonds (Community Health), 5.375% due 10/01/2030 |
| | 15,000 | Wisconsin State Health and Educational Facilities Authority, Revenue Refunding Bonds (Franciscan Services, Inc.), 5.75% due 2/15/2012 (j) |
| Wyoming - 0.8% | 2,765 | Wyoming Community Development Authority, Housing Revenue Bonds, AMT, Series A, 12/01/2027 |
| | 2,605 | Wyoming Community Development Authority, Housing Revenue Bonds, AMT, Series B, 12/01/2032 |
| | | Total Municipal Bonds (Cost - \$912,630) - 150.4% |

BlackRock Municipal Income Trust**Schedule of Investments as of January 31, 2008 (Unaudited)**

| | | | (in Thousands) |
|---------------------------|----------------|--|-------------------|
| | Face Amount | | Value |
| Multi-State - 7.4% | \$ | | |
| | 11,000 | Charter Mac Equity Issuer Trust, 6.30% due 6/30/2049 (l) | \$ 11,494 |
| | 1,000 | Charter Mac Equity Issuer Trust, 6.625% due 6/30/2049 (l) | 1,049 |
| | 6,500 | Charter Mac Equity Issuer Trust, 6.80% due 11/30/2050 (l) | 7,106 |
| | 16,000 | Charter Mac Equity Issuer Trust, 6.80% due 10/31/2052 (l) | 18,396 |
| | 8,000 | MuniMae TE Bond Subsidiary, LLC, 6.875% due 6/30/2049 (l) | 8,375 |
| | | Total Corporate Bonds (Cost - \$42,800) - 7.4% | 46,420 |
| | | Shares Held | |
| | 6,700 | Merrill Lynch Institutional Tax-Exempt Fund, 2.47% (k)(o) | 6,700 |
| | | Total Short-Term Securities (Cost - \$6,700) - 1.1% | 6,700 |
| | | Total Investments (Cost - \$962,130*) - 158.9% | 991,615 |
| | | Other Assets Less Liabilities - 1.2% | 7,720 |
| | | Preferred Shares, at Redemption Value - (60.1%) | (375,281) |
| | | Net Assets Applicable to Common Shares - 100.0% | \$ 624,054 |

* The cost and unrealized appreciation (depreciation) of investments as of January 31, 2008, as computed for federal income tax purposes, were as follows:

| | | |
|-------------------------------|----|----------|
| Aggregate cost | \$ | 959,718 |
| Gross unrealized appreciation | \$ | 49,591 |
| Gross unrealized depreciation | | (17,694) |
| Net unrealized appreciation | \$ | 31,897 |

- (a) ACA Insured.
- (b) AMBAC Insured.
- (c) Assured Guaranty Insured.
- (d) FGIC Insured.
- (e) FHLMC Collateralized.
- (f) FNMA/GNMA Collateralized.
- (h) Non-income producing security; issuer filed for bankruptcy or is in default of interest payments.
- (i) MBIA Insured.
- (j) Prerefunded.
- (k) Represents the current yield as of January 31, 2008.
- (l) The security may be offered and sold to "qualified institutional buyers" under Rule 144A of the Securities Act of 1933.
- (m) XL Capital Insured.
- (n) Represents a zero coupon bond; the interest rate shown reflects the effective yield at the time of purchase.
- (o) Investments in companies considered to be an affiliate of the Trust, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, were as follows:

| Affiliate | Net Activity | Dividend Income |
|---|--------------|-----------------|
| Merrill Lynch Institutional Tax-Exempt Fund | 4,100 | \$ 95 |

BlackRock Municipal Income Trust**Schedule of Investments as of January 31, 2008 (Unaudited)****(in Thousands)**

Financial futures contracts sold as of January 31, 2008 were as follows:

| Number of Contracts | Issue | Expiration Date | Face Value | Unrealized Depreciation |
|----------------------------|----------------------------|------------------------|-------------------|--------------------------------|
| 500 | 10-Year U.S. Treasury Note | March 2008 | \$ 56,366 | \$ (1,993) |

Forward interest rate swaps outstanding as of January 31, 2008 were as follows:

| | Notional Amount | Unrealized Depreciation |
|--|------------------------|--------------------------------|
| Pay a fixed rate of 4.3385% and receive a floating rate based on 3-month USD LIBOR Broker, JPMorgan Chase Expires May 2018 | \$ 54,390 | \$ (293) |

Pay a fixed rate of 3.585% and receive a floating rate based on 1-week (SIFMA) Municipal Swap Index rate

| | | |
|--|-----------|-------|
| Broker, JPMorgan Chase Expires April 2023 | \$ 26,800 | (169) |
|--|-----------|-------|

Pay a fixed rate of 3.731% and receive a floating rate based on 1-week (SIFMA) Municipal Swap Index rate

| | | |
|---|-----------|-------|
| Broker, Citibank NA Expires March 2028 | \$ 17,160 | (127) |
|---|-----------|-------|

Total \$ (589)

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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/ Donald C. Burke
Donald C. Burke
Chief Executive Officer of
BlackRock Municipal
Income Trust

Date: March 24, 2008

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/ Donald C. Burke
Donald C. Burke
Chief Executive Officer (principal
executive officer) of
BlackRock Municipal Income Trust

Date: March 24, 2008

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

Date: March 24, 2008
