

EATON VANCE MASSACHUSETTS MUNICIPAL INCOME TRUST

Form N-Q

April 28, 2011

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**Form N-Q**

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

**811-09147**

**Investment Company Act File Number**

**Eaton Vance Massachusetts 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 28, 2011

Date of Reporting Period

**Item 1. Schedule of Investments**

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**Eaton Vance  
Massachusetts Municipal Income Trust  
February 28, 2011**

**PORTFOLIO OF INVESTMENTS (Unaudited)**

**Tax-Exempt Investments 165.5%**

**Principal  
Amount  
(000 s  
omitted)**

	<b>Security</b>	<b>Value</b>
<b>Education 36.1%</b>		
\$ 2,235	Massachusetts Development Finance Agency, (Boston University), 5.45%, 5/15/59	\$ 2,154,629
600	Massachusetts Development Finance Agency, (Middlesex School), 5.00%, 9/1/33	584,574
1,080	Massachusetts Development Finance Agency, (Milton Academy), 5.00%, 9/1/35	1,080,400
1,000	Massachusetts Development Finance Agency, (New England Conservatory of Music), 5.25%, 7/1/38	885,110
1,500	Massachusetts Health and Educational Facilities Authority, (Berklee College of Music), 5.00%, 10/1/32	1,465,080
1,640	Massachusetts Health and Educational Facilities Authority, (Boston College), 5.50%, 6/1/35	1,789,699
1,500	Massachusetts Health and Educational Facilities Authority, (Harvard University), 5.00%, 10/1/38 <sup>(1)</sup>	1,529,025
415	Massachusetts Health and Educational Facilities Authority, (Massachusetts Institute of Technology), 5.00%, 7/1/38	422,532
1,350	Massachusetts Health and Educational Facilities Authority, (Northeastern University), 5.00%, 10/1/35	1,296,419
1,420	Massachusetts Health and Educational Facilities Authority, (Tufts University), 5.375%, 8/15/38	1,461,265
		<b>\$ 12,668,733</b>

**Electric Utilities 7.8%**

\$ 1,000	Massachusetts Development Finance Agency, (Devens Electric System), 6.00%, 12/1/30	\$ 1,008,570
1,870	Massachusetts Development Finance Agency, (Dominion Energy Brayton Point), (AMT), 5.00%, 2/1/36	1,710,769
		<b>\$ 2,719,339</b>

**Escrowed/Prerefunded 1.3%**

\$ 400	Massachusetts Development Finance Agency, (Western New England College), Prefunded to 12/1/12, 6.125%, 12/1/32	\$ 441,764
		<b>\$ 441,764</b>

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**General Obligations 6.0%**

\$	750	Newton, 5.00%, 4/1/36 <sup>(2)</sup>	\$	768,772
	510	Wayland, 5.00%, 2/1/33		535,424
	770	Wayland, 5.00%, 2/1/36		797,089
			<b>\$</b>	<b>2,101,285</b>

**Hospital 25.9%**

\$	1,000	Massachusetts Health and Educational Facilities Authority, (Baystate Medical Center, Inc.), 5.75%, 7/1/36	\$	1,015,790
	400	Massachusetts Health and Educational Facilities Authority, (Berkshire Health System), 6.25%, 10/1/31		400,632
	500	Massachusetts Health and Educational Facilities Authority, (Children s Hospital), 5.25%, 12/1/39		494,105
	1,135	Massachusetts Health and Educational Facilities Authority, (Dana-Farber Cancer Institute), 5.00%, 12/1/37		1,046,935
	885	Massachusetts Health and Educational Facilities Authority, (Healthcare System-Covenant Health), 6.00%, 7/1/31		882,858
	755	Massachusetts Health and Educational Facilities Authority, (Jordan Hospital), 6.75%, 10/1/33		690,304
	720	Massachusetts Health and Educational Facilities Authority, (Lowell General Hospital), 5.125%, 7/1/35		622,534
	2,000	Massachusetts Health and Educational Facilities Authority, (Partners Healthcare System), 5.00%, 7/1/32 <sup>(1)</sup>		1,889,540
	675	Massachusetts Health and Educational Facilities Authority, (South Shore Hospital), 5.75%, 7/1/29		659,988

<b>Principal Amount (000 s omitted)</b>	<b>Security</b>	<b>Value</b>
\$ 1,255	Massachusetts Health and Educational Facilities Authority, (Southcoast Health System), 5.00%, 7/1/39	\$ 1,098,740
300	Massachusetts Health and Educational Facilities Authority, (Winchester Hospital), 5.25%, 7/1/38	266,256
		<b>\$ 9,067,682</b>
<b>Housing 14.6%</b>		
\$ 2,100	Massachusetts Housing Finance Agency, (AMT), 4.75%, 12/1/48	\$ 1,763,832
1,000	Massachusetts Housing Finance Agency, (AMT), 4.85%, 6/1/40	876,130
650	Massachusetts Housing Finance Agency, (AMT), 5.00%, 12/1/28	622,635
2,000	Massachusetts Housing Finance Agency, (AMT), 5.10%, 12/1/37	1,843,800
		<b>\$ 5,106,397</b>
<b>Industrial Development Revenue 2.0%</b>		
\$ 695	Massachusetts Industrial Finance Agency, (American Hingham Water Co.), (AMT), 6.60%, 12/1/15	\$ 696,133
		<b>\$ 696,133</b>
<b>Insured-Education 10.4%</b>		
\$ 1,000	Massachusetts College Building Authority, (XLCA), 5.50%, 5/1/39	\$ 1,038,440
1,365	Massachusetts Development Finance Agency, (College of the Holy Cross), (AMBAC), 5.25%, 9/1/32 <sup>(1)</sup>	1,442,109
1,165	Massachusetts Development Finance Agency, (Franklin W. Olin College), (XLCA), 5.25%, 7/1/33	1,149,831
		<b>\$ 3,630,380</b>
<b>Insured-Electric Utilities 1.5%</b>		
\$ 570	Puerto Rico Electric Power Authority, (NPFPG), 5.25%, 7/1/29	\$ 543,501
		<b>\$ 543,501</b>
<b>Insured-General Obligations 3.2%</b>		
\$ 1,000	Massachusetts, (AMBAC), 5.50%, 8/1/30	\$ 1,118,170
		<b>\$ 1,118,170</b>
<b>Insured-Hospital 0.9%</b>		
\$ 335	Massachusetts Health and Educational Facilities Authority, (Cape Cod Healthcare), (AGC), 5.00%, 11/15/25	\$ 327,335

			\$ 327,335
<b>Insured-Other Revenue 2.9%</b>			
\$	1,075	Massachusetts Development Finance Agency, (WGBH Educational Foundation), (AMBAC), 5.75%, 1/1/42	\$ 1,035,150
			<b>\$ 1,035,150</b>
<b>Insured-Special Tax Revenue 14.1%</b>			
\$	1,450	Martha's Vineyard Land Bank, (AMBAC), 5.00%, 5/1/32	\$ 1,418,390
	1,000	Massachusetts, Special Obligation, Dedicated Tax Revenue, (FGIC), (NPF), 5.50%, 1/1/29	1,054,250
	1,340	Massachusetts School Building Authority, Dedicated Sales Tax Revenue, (AMBAC), 5.00%, 8/15/37 <sup>(1)</sup>	1,343,270
	7,595	Puerto Rico Sales Tax Financing Corp., (AMBAC), 0.00%, 8/1/54	381,193
	2,525	Puerto Rico Sales Tax Financing Corp., (NPF), 0.00%, 8/1/44	269,241
	3,005	Puerto Rico Sales Tax Financing Corp., (NPF), 0.00%, 8/1/45	296,022
	1,905	Puerto Rico Sales Tax Financing Corp., (NPF), 0.00%, 8/1/46	173,831
			<b>\$ 4,936,197</b>
<b>Insured-Student Loan 5.8%</b>			
\$	425	Massachusetts Educational Financing Authority, (AGC), (AMT), 6.35%, 1/1/30	\$ 435,719
	1,885	Massachusetts Educational Financing Authority, (AMBAC), (AMT), 4.70%, 1/1/33	1,611,411
			<b>\$ 2,047,130</b>
<b>Insured-Transportation 3.4%</b>			
\$	315	Massachusetts Port Authority, (Bosfuel Project), (FGIC), (NPF), (AMT), 5.00%, 7/1/32	\$ 280,290
	1,055	Massachusetts Port Authority, (Bosfuel Project), (FGIC), (NPF), (AMT), 5.00%, 7/1/38	900,844
			<b>\$ 1,181,134</b>

<b>Principal Amount (000 s omitted)</b>	<b>Security</b>	<b>Value</b>
<b>Nursing Home</b>	<b>1.4%</b>	
\$ 535	Massachusetts Health and Educational Facilities Authority, (Christopher House), 6.875%, 1/1/29	\$ 489,595
		<b>\$ 489,595</b>
<b>Other Revenue</b>	<b>1.5%</b>	
\$ 500	Massachusetts Health and Educational Facilities Authority, (Isabella Stewart Gardner Museum), 5.00%, 5/1/22	\$ 534,185
		<b>\$ 534,185</b>
<b>Senior Living/Life Care</b>	<b>5.9%</b>	
\$ 250	Massachusetts Development Finance Agency, (Berkshire Retirement Community, Inc.), 5.15%, 7/1/31	\$ 205,117
1,500	Massachusetts Development Finance Agency, (Berkshire Retirement Community, Inc.), 5.625%, 7/1/29	1,328,145
125	Massachusetts Development Finance Agency, (Carleton-Willard Village), 5.625%, 12/1/30	119,744
140	Massachusetts Development Finance Agency, (First Mortgage VOA Concord), 5.125%, 11/1/27	101,807
475	Massachusetts Development Finance Agency, (First Mortgage VOA Concord), 5.20%, 11/1/41	310,175
		<b>\$ 2,064,988</b>
<b>Special Tax Revenue</b>	<b>6.7%</b>	
\$ 1,665	Massachusetts Bay Transportation Authority, Sales Tax Revenue, 0.00%, 7/1/31	\$ 551,531
5,195	Massachusetts Bay Transportation Authority, Sales Tax Revenue, 0.00%, 7/1/34	1,411,845
75	Virgin Islands Public Finance Authority, 5.00%, 10/1/39	62,061
335	Virgin Islands Public Finance Authority, 6.75%, 10/1/37	338,578
		<b>\$ 2,364,015</b>
<b>Transportation</b>	<b>5.9%</b>	
\$ 1,500	Massachusetts Department of Transportation, (Metropolitan Highway System), 5.00%, 1/1/37	\$ 1,412,835
670	Massachusetts Port Authority, 5.00%, 7/1/34	664,030
		<b>\$ 2,076,865</b>
<b>Water and Sewer</b>	<b>8.2%</b>	
\$ 910	Massachusetts Water Pollution Abatement Trust, 5.25%, 8/1/33	\$ 987,495
990	Massachusetts Water Pollution Abatement Trust, 5.25%, 8/1/34	1,067,527

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1,000	Massachusetts Water Resources Authority, 4.00%, 8/1/46	810,210
		\$ 2,865,232
<b>Total Tax-Exempt Investments</b>	<b>165.5%</b>	
<b>(identified cost \$61,380,733)</b>		<b>\$ 58,015,210</b>
<b>Auction Preferred Shares Plus Cumulative Unpaid Dividends</b>	<b>(57.2)%</b>	<b>\$ (20,051,644)</b>
<b>Other Assets, Less Liabilities</b>	<b>(8.3)%</b>	<b>\$ (2,914,496)</b>
<b>Net Assets Applicable to Common Shares</b>	<b>100.0%</b>	<b>\$ 35,049,070</b>



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

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.

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 Massachusetts 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 28, 2011, 25.5% 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 1.3% to 14.4% of total investments.

- (1) Security represents the underlying municipal bond of an inverse floater.
- (2) 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 28, 2011 is as follows:

#### Futures Contracts

Expiration Date	Contracts	Position	Aggregate Cost	Value	Net Unrealized Depreciation
6/11	60 U.S. 10-Year Treasury Note	Short	\$ (7,129,946)	\$ (7,142,812)	\$ (12,866)

#### Interest Rate Swaps

Counterparty	Notional Amount	Annual Fixed Rate Paid By Trust	Floating Rate Paid To Trust	Effective Date/ Termination Date	Net Unrealized Appreciation (Depreciation)
Bank of America	\$ 1,250,000	4.524%			\$ (42,643)

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			3-month USD- LIBOR-BBA	May 18, 2011/ May 20, 2041	
JPMorgan Chase Co.	787,500	4.163	3-month USD- LIBOR-BBA	March 14, 2011/ March 14, 2041	16,432
					<b>\$ (26,211)</b>

The effective date represents the date on which the Trust and the counterparty to the interest rate swap contract begin interest payment accruals.

At February 28, 2011, 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 objectives. Because the Trust holds fixed rate bonds, the value of these bonds may decrease if interest rates rise. To hedge against this risk, the Trust enters into interest rate swap contracts. The Trust also purchases and sells U.S. Treasury futures contracts to hedge against changes in interest rates.

At February 28, 2011, the aggregate fair value of derivative instruments (not considered to be hedging instruments for accounting disclosure purposes) in an asset position and in a liability position and whose primary underlying risk exposure is interest rate risk was \$16,432 and \$55,509, respectively.

The cost and unrealized appreciation (depreciation) of investments of the Trust at February 28, 2011, as determined on a federal income tax basis, were as follows:

<b>Aggregate cost</b>	<b>\$ 56,413,140</b>
Gross unrealized appreciation	\$ 557,592
Gross unrealized depreciation	(3,840,522)
<b>Net unrealized depreciation</b>	<b>\$ (3,282,930)</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 28, 2011, the hierarchy of inputs used in valuing the Trust's investments, which are carried at value, were as follows:

<b>Asset Description</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Tax-Exempt Investments	\$	\$ 58,015,210	\$	\$ 58,015,210
<b>Total Investments</b>	<b>\$</b>	<b>\$ 58,015,210</b>	<b>\$</b>	<b>\$ 58,015,210</b>
Interest Rate Swaps	\$	\$ 16,432	\$	\$ 16,432
<b>Total</b>	<b>\$</b>	<b>\$ 58,031,642</b>	<b>\$</b>	<b>\$ 58,031,642</b>
<b>Liability Description</b>				
Futures Contracts	\$ (12,866)	\$	\$	\$ (12,866)
Interest Rate Swaps		(42,643)		(42,643)
<b>Total</b>	<b>\$ (12,866)</b>	<b>\$ (42,643)</b>	<b>\$</b>	<b>\$ (55,509)</b>

The Trust held no investments or other financial instruments as of November 30, 2010 whose fair value was determined using Level 3 inputs. At February 28, 2011, 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.

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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 Massachusetts Municipal Income Trust

By: /s/ Thomas M. Metzold  
Thomas M. Metzold  
President

Date: April 25, 2011

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/ Thomas M. Metzold  
Thomas M. Metzold  
President

Date: April 25, 2011

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

Date: April 25, 2011