

BLACKROCK MUNICIPAL INCOME TRUST
Form N-Q
September 29, 2005

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

BlackRock Municipal Income Trust
(Exact name of registrant as specified in charter)

100 Bellevue Parkway, Wilmington, DE

19809

(Address of principal executive offices)

(Zip code)

Robert S. Kapito, President

BlackRock Municipal Income Trust

40 East 52nd Street, New York, NY
10022
(Name and address of agent for service)

Registrant's telephone number, including area code: 888-825-2257

Date of fiscal year end: October 31, 2005

Date of reporting period: July 31, 2005

Item 1. Schedule of Investments.

The Registrant's unaudited schedule of investments as of the close of the reporting period pursuant to Rule 30b1-5 under the Investment Company Act of 1940 is as follows:

PORTFOLIO OF INVESTMENTS (unaudited)
JULY 31, 2005

BlackRock Municipal Income Trust (BFK)

| Rating ¹ | Principal Amount (000) | Description | Option Call Provisions ² | Value |
|---|------------------------|--|-------------------------------------|--------------|
| LONG-TERM INVESTMENTS 162.6% | | | | |
| Alabama 3.5% | | | | |
| Baa2 | \$ 7,000 | Courtland Ind. Dev. Brd., PCR, Champion Intl. Corp. Proj., 6.15%, 6/01/19 | 08/05 @ 102 | \$ 7,184,450 |
| A2 | 15,000 | Huntsville Hlth. Care Auth., GO, Ser. B, 5.75%, 6/01/32 | 06/12 @ 101 | 16,146,450 |
| | | | | 23,330,900 |
| Arizona 1.2% | | | | |
| A3 | 7,000 | Scottsdale Ind. Dev. Auth., Scottsdale Hlth. Care Proj., 5.80%, 12/01/31 | 12/11 @ 101 | 7,568,680 |
| California 28.2% | | | | |
| Aaa | 6,750 | East Bay Mun. Util. Dist. Wtr. Sys. Rev., Ser. A, 5.00%, 6/01/35, MBIA | 06/15 @ 100 | 7,152,840 |
| AA+ | 4,455 | Educ. Fac. Auth. Rev., Univ. So. CA Proj., 5.00%, 10/01/33 | 10/15 @ 100 | 4,728,136 |
| Foothill/Eastn. Transp. Corridor Agcy., Toll Road Rev., | | | | |
| BBB- | 54,635 | Zero Coupon, 1/15/32 | 01/10 @ 27.37 | 11,407,788 |
| BBB- | 20,535 | Zero Coupon, 1/15/34 | 01/10 @ 24.228 | 3,794,047 |
| BBB- | 75,000 | Zero Coupon, 1/15/38 | 01/10 @ 19.014 | 10,833,750 |
| Golden St. Tobacco Sec. Corp., | | | | |
| BBB | 10,000 | Ser. A-1, 6.625%, 6/01/40 | 06/13 @ 100 | 11,375,700 |
| A- | 30,600 | Ser. B, 5.50%, 6/01/43 | 06/13 @ 100 | 33,922,548 |
| A- | 16,500 | Ser. B, 5.625%, 6/01/38 | 06/13 @ 100 | 18,488,910 |
| A- | 16,905 | Golden St. Tobacco Sec. Corp. Tobacco Settlement Rev., Ser. A, 5.00%, 6/01/45 | 06/15 @ 100 | 17,358,730 |
| A3 | 16,905 | Hlth. Fac. Fin. Auth. Rev., Cedars Sinai Med Center Proj., 5.00%, 11/15/34 | 11/15 @ 100 | 17,340,642 |
| NR | 3,500 | Lincoln Spl. Tax. Cmnty. Facs. Dist., 6.00%, 9/01/34 | 09/13 @ 102 | 3,759,945 |
| B- | 14,805 | Los Angeles Regl. Arpt. Impvt. Corp. Lease Rev., Amer. Airlines, Inc. Proj., Ser. C, 7.50%, 12/1/24 | 12/12 @ 102 | 15,825,805 |
| AAA | 13,320 | Los Angeles Regl. Arpt. Impvt., Corp. Lease Rev., Facs. Laxfuel Corp., L.A. Intl., 5.50%, 1/01/32, AMBAC | 01/12 @ 100 | 14,054,065 |
| NR | 5,000 | Murrieta Cmnty. Facs. Dist., Spl. Tax No. 2, The Oaks Impvt. Area A, 6.00%, 9/01/34 | 09/14 @ 100 | 5,147,700 |
| A | 5,000 | Statewide Cmnty. Dev. Auth., Mem. Hlth. Svcs. Proj., Ser. A, 5.50%, 10/01/33 | 04/13 @ 100 | 5,297,400 |
| BBB+ | 6,000 | Statewide Cmnty., Daughters of Charity Hlth., Ser. A, 5.00%, 7/01/39 | 07/15 @ 100 | 6,107,700 |
| | | | | 186,595,706 |
| Colorado 0.6% | | | | |

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| | | | | |
|--|--------|---|----------------|------------|
| BBB | 3,500 | Denver Hlth. & Hosp. Auth., Hlth. Care Rev., Ser. A, 6.00%, 12/01/31 | 12/11 @ 100 | 3,660,545 |
| District of Columbia 6.3% | | | | |
| Dist. of Columbia, Georgetown Univ., Ser. A, MBIA, | | | | |
| AAA | 15,600 | Zero Coupon, 4/01/36 | 04/11 @ 22.875 | 2,686,320 |
| AAA | 51,185 | Zero Coupon, 4/01/37 | 04/11 @ 21.546 | 8,297,600 |
| A | 2,390 | Friendship Pub. Charter Sch., Inc. Proj., 5.25%, 6/01/33, ACA | 06/14 @ 100 | 2,454,363 |
| BBB | 25,535 | Tobacco Settlement Fin. Corp., 6.75%, 5/15/40 | 05/11 @ 101 | 28,437,819 |
| | | | | 41,876,102 |
| Florida 11.6% | | | | |
| NR | 3,000 | Amelia Nat. Cmnty. Dev. Dist., Cap. Impvt., Ser. A, 6.30%, 5/01/35 | 05/14 @ 101 | 3,125,340 |
| NR | 4,000 | Bellalago Edu. Fac. Benefits Dist., Ser. B, 5.80%, 5/01/34 | 05/14 @ 100 | 4,097,160 |
| NR | 4,000 | Bridgewater Cmnty. Dev. Dist., Florida Spl. Assmt., Ser. A, 6.00%, 5/01/35 | 05/12 @ 101 | 4,106,720 |
| NR | 2,000 | CFM Cmnty. Dev. Dist., Cap. Impvt., Ser. A, 6.25%, 5/01/35 | 05/14 @ 101 | 2,122,300 |
| NR | 3,000 | City Ctr. Cmnty. Dev. Dist. Spec. Assess. Rev., Ser. A, 6.125%, 5/01/36 | 05/15 @ 101 | 2,976,930 |
| Baa2 | 4,600 | Escambia Cnty., PCR, Champion Intl. Corp. Proj., 6.40%, 9/01/30 | 09/06 @ 102 | 4,756,722 |
| NR | 2,000 | Heritage Isle At Viera Cmnty. Dev. Dist., Spl. Assmt., Ser. A, 6.00%, 5/01/35 | 05/12 @ 101 | 2,059,720 |
| A+ | 9,670 | Highlands Cnty. Hlth. Facs. Auth., Hosp. Adventist/Sunbelt Proj., Ser. A, 6.00%, 11/15/31 | 11/11 @ 101 | 10,550,744 |
| BBB- | 9,000 | Martin Cnty. Indl. Dev. Auth., Indiantown Cogeneration Proj., Ser. A, 7.875%, 12/15/25 | 08/05 @ 102 | 9,272,700 |
| BB+ | 11,685 | Miami Beach Hlth. Facs. Auth., Mt. Sinai Med. Ctr. Proj., 6.75%, 11/15/21 | 11/14 @ 100 | 13,130,785 |
| NR | 3,970 | Stevens Plantation Cmnty. Dev. Dist., Spl. Assmt. Rev., Ser. A, 7.10%, 5/01/35 | 05/14 @ 100 | 4,113,833 |
| NR | 10,000 | Vlg. Cmnty. Dev. Dist. No. 6 Spl. Assmt. Rev., 5.625%, 5/01/22 | 05/13 @ 100 | 10,242,200 |
| World Commerce Cmnty. Dev. Dist., | | | | |
| NR | 4,000 | Ser. A-1, 6.50%, 5/01/36 | 05/14 @ 101 | 4,186,640 |
| NR | 1,750 | Ser. A-2, 6.125%, 5/01/35 | 05/14 @ 101 | 1,829,800 |
| | | | | 76,571,594 |

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BlackRock Municipal Income Trust (BFK) (continued)

| Rating ¹ | Principal Amount (000) | Description | Option Call Provisions ² | Value |
|---------------------|------------------------|--|-------------------------------------|---------------|
| Georgia 2.2% | | | | |
| AAA | \$ 9,700 | Atlanta Arpt. Passenger Fac., Ser. C, 5.00%, 1/01/33, FSA | 07/14 @ 100 | \$ 10,168,607 |
| BBB | 4,000 | Richmond Cnty. Dev. Auth., Env. Impvt. Rev., Intl. Paper Co. Proj., Ser. A, 6.00%, 2/01/25 | 02/12 @ 101 | 4,239,760 |
| | | | | 14,408,367 |
| Hawaii 0.5% | | | | |
| AAA | 3,345 | Honolulu City & County Wastewtr. Sys. Rev., Ser. A, 5.00%, 7/01/35, FGIC | 07/15 @ 100 | 3,529,443 |
| Idaho 2.7% | | | | |

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|--|---------------------|--|--------------|-------------|
| AAA | 16,970 ³ | Univ. of Idaho, Student Fee Hsg. Impvt. Proj., 5.40%, 4/01/41, FGIC | 04/11 @ 100 | 17,941,702 |
| Illinois 16.4% | | | | |
| Bolingbrook, Ser. B, FGIC, | | | | |
| AAA | 7,120 | Zero Coupon, 1/01/33 | No Opt. Call | 1,834,041 |
| AAA | 14,085 | Zero Coupon, 1/01/34 | No Opt. Call | 3,453,079 |
| NR | 4,630 | Centerpoint Intermodal Ctr. Prog. Trust, Ser. A, 8.00%, 6/15/23 | No Opt. Call | 4,719,683 |
| Dev. Fin. Auth., | | | | |
| A2 | 25,000 | PCR, Ser. C, 5.95%, 8/15/26 | 12/06 @ 101 | 25,699,250 |
| A+ | 7,145 | Hosp. Rev., Adventist Hlth. Sys. Sunbelt Oblig. Proj., 5.65%, 11/15/24 | 11/09 @ 101 | 7,514,682 |
| Edl. Facs. Auth., Student Hsg. Rev., Edl. Advancement Fund Univ. Ctr. Proj., | | | | |
| Baa2 | 10,000 | 6.25%, 5/01/30 | 05/12 @ 101 | 10,731,400 |
| Baa2 | 7,000 | 6.25%, 5/01/34 | 05/07 @ 100 | 7,221,690 |
| Edl. Facs. Auth. Revs., Ser. A, | | | | |
| Aa1 | 760 | Bal Union Chicago Proj., 5.25%, 7/01/41 | 07/11 @ 101 | 805,076 |
| Aa1 | 315 ⁴ | Univ. Chicago Proj., 5.25%, 7/01/11 | N/A | 348,897 |
| AA+ | 3,700 | Fin. Auth., Northwestern Mem. Hosp. Proj., Ser. A, 5.50%, 8/15/43 | 08/14 @ 100 | 3,992,041 |
| Fin. Auth. Student Hsg., MJH Ed. Asst. IV Proj., | | | | |
| Baa2 | 2,100 | Ser. A, 5.125%, 6/01/35 | 06/14 @ 100 | 2,100,588 |
| Baa3 | 1,675 | Ser. B, 5.375%, 6/01/35 | 06/14 @ 100 | 1,675,452 |
| BB+ | 1,685 | Finance Auth. Rev., Friendship Village Schaumburg Proj., Ser. A, 5.625%, 2/15/37 | 02/15 @ 100 | 1,683,450 |
| Hlth. Facs. Auth., Elmhurst Mem. Hlth. Care Proj., | | | | |
| A2 | 5,000 | 5.50%, 1/01/22 | 01/13 @ 100 | 5,292,550 |
| A2 | 6,000 | 5.625%, 1/01/28 | 01/13 @ 100 | 6,347,520 |
| AAA | 40,000 | Met. Pier & Exposition Auth., Dedicated St. Tax Rev., McCormick Place Expansion Proj., | | |
| Ser. A, Zero Coupon, 12/15/34, MBIA | | | No Opt. Call | 9,680,800 |
| O Hare Intl. Arpt., | | | | |
| AAA | 3,000 | Ser. A, 5.00%, 1/01/29, MBIA | 01/15 @ 100 | 3,139,710 |
| AAA | 4,000 | Ser. A, 5.00%, 1/01/30, MBIA | 01/15 @ 100 | 4,176,880 |
| AAA | 7,645 | Ser. C-2, 5.25%, 1/01/30, FSA | 01/14 @ 100 | 8,047,968 |
| | | | | 108,464,757 |
| Indiana 7.1% | | | | |
| A+ | 9,000 | Hlth. Fac. Fin. Auth., Methodist Hosp., Inc. Proj., 5.50%, 9/15/31 | 09/11 @ 100 | 9,315,540 |
| BBB | 7,500 | Indianapolis Arpt. Auth., FedEx Corp. Proj., 5.10%, 1/15/17 | No Opt. Call | 7,830,750 |
| Petersburg, PCR, Pwr. & Lt. Conv., | | | | |
| Baa2 | 10,000 | 5.90%, 12/01/24 | 08/11 @ 102 | 10,568,900 |
| Baa2 | 16,000 | 5.95%, 12/01/29 | 08/11 @ 102 | 16,857,440 |
| NR | 2,545 | Vincennes Econ. Dev., Southwest Indiana Regl. Youth Proj., 6.25%, 1/01/24 | 01/09 @ 102 | 2,521,968 |
| | | | | 47,094,598 |
| Kentucky 1.4% | | | | |
| AAA | 9,060 | Hsg. Corp., Hsg. Rev., Ser. F, 5.45%, 1/01/32 | 07/11 @ 100 | 9,360,973 |
| Louisiana 4.5% | | | | |
| Local Gov t. Env. Facs. & Cmnty. Dev. Auth., | | | | |
| A | 21,425 | Cap. Projs. & Equip. Acquisition, 6.55%, 9/01/25, ACA | No Opt. Call | 24,709,024 |
| Baa1 | 4,605 | Oakleigh Apts. Proj., Ser. A, 6.375%, 6/01/38 | 06/13 @ 102 | 4,716,902 |

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|---------------------------|---------------------|---|-------------|------------|
| 29,425,926 | | | | |
| Maryland 0.7% | | | | |
| Baa1 | 4,205 | Hlth. & Higher Edl. Facs. Auth., Medstar Hlth. Proj., 5.50%, 8/15/33 | 08/14 @ 100 | 4,374,840 |
| Massachusetts 5.1% | | | | |
| AAA | 25,200 | Massachusetts St. School Bldg. Auth. Ded. Sales Tax Rev., Ser. A, 5.00%, 8/15/30, FSA | 08/15 @ 100 | 26,667,144 |
| AAA | 6,750 | Tpke. Auth. Met. Hwy. Sys. Rev., Ser. A, 5.00%, 1/01/37, MBIA | 01/07 @ 102 | 6,947,842 |
| 33,614,986 | | | | |
| Michigan 2.9% | | | | |
| AA | 17,210 ⁴ | Kent Hosp. Fin. Auth., Spectrum Hlth. Proj., Ser. A, 5.50%, 1/15/11 | N/A | 19,302,220 |

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BlackRock Municipal Income Trust (BFK) (continued)

| Rating ¹ | Principal Amount (000) | Description | Option Call Provisions ² | Value |
|----------------------------------|------------------------|--|-------------------------------------|---------------|
| Mississippi 3.0% | | | | |
| A2 | \$ 18,680 | Gulfport Hosp. Fac., Mem. Hosp. Gulfport Proj., Ser. A, 5.75%, 7/01/31 | 07/11 @ 100 | \$ 19,740,400 |
| Multi-State 7.0% | | | | |
| Charter Mac Equity Issuer Trust, | | | | |
| A3 | 1,000 ⁵ | Ser. A, 6.625%, 6/30/49 | 06/09 @ 100 | 1,072,300 |
| A3 | 11,000 ⁵ | Ser. A-2, 6.30%, 6/30/49 | 06/09 @ 100 | 11,669,400 |
| A3 | 16,000 ⁵ | Ser. A-3, 6.80%, 10/31/52 | 10/14 @ 100 | 17,996,000 |
| Baa1 | 6,500 ⁵ | Ser. B-1, 6.80%, 11/30/50 | 11/10 @ 100 | 7,043,600 |
| A3 | 8,000 ⁵ | MuniMae TE Bond Subsidiary, LLC, Ser. A, 6.875%, 6/30/49 | 06/09 @ 100 | 8,605,300 |
| 46,386,800 | | | | |
| New Hampshire 0.6% | | | | |
| A+ | 3,500 | Hlth. & Edl. Facs. Auth., Exeter Hosp. Proj., 5.75%, 10/01/31 | 10/11 @ 101 | 3,724,500 |
| New Jersey 9.6% | | | | |
| Econ. Dev. Auth., | | | | |
| B | 31,410 | Continental Airlines, Inc. Proj., 7.00%, 11/15/30 | 11/10 @ 101 | 30,960,200 |
| Baa3 | 8,000 | Kapkowski Rd. Landfill Proj., 6.50%, 4/01/28 | No Opt. Call | 9,351,000 |
| BBB | 18,500 | Econ. Dev. Auth. Cigarette Tax Rev., 5.75%, 6/15/29 | 06/14 @ 100 | 19,732,600 |
| NR | 3,680 | Middlesex Cnty. Imprvt. Auth., Heldrich Ctr. Hotel Proj., Ser. B, 6.25%, 1/01/37 | 01/15 @ 100 | 3,640,500 |
| 63,684,400 | | | | |

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| New York 3.6% | | | | |
|--|---------------------|--|----------------|-----------|
| AAA | 5,375 | Env. Facs. Corp., Clean Wtr. & Drinking Wtr. Rev., NYC Mun. Wtr. Proj., Ser. B, 5.00%, 6/15/31 | 06/12 @ 100 | 5,619,13 |
| AAA | 7,115 | Met. Transp. Auth., Svc. Contract, Ser. A, 5.00%, 7/01/30, AMBAC Sales Tax Asset Receivable Corp., Ser. A, AMBAC, | 07/12 @ 100 | 7,427,00 |
| AAA | 7,000 | 5.00%, 10/15/29 | 10/14 @ 100 | 7,439,70 |
| AAA | 3,360 | 5.00%, 10/15/32 | 10/14 @ 100 | 3,565,80 |
| | | | | 24,051,70 |
| Ohio 2.9% | | | | |
| Baa2 | 14,500 | Air Quality Dev. Auth., PCR, Cleveland Elec. Illuminating Co. Proj., Ser. B, 6.00%, 8/01/20 | 08/07 @ 102 | 15,385,00 |
| NR | 3,760 | Pinnacle Cmnty. Infrastructure, Fin. Auth., Ser. A, 6.25%, 12/01/36 | 12/14 @ 101 | 3,901,00 |
| | | | | 19,286,10 |
| Oklahoma 1.2% | | | | |
| B- | 7,175 | Tulsa Mun. Arpt. Trust, Ser. A, 7.75%, 6/01/35 | No Opt. Call | 7,667,20 |
| Pennsylvania 7.6% | | | | |
| A3 | 6,500 | Econ. Dev. Fin. Auth., Amtrak Proj., Ser. A, 6.375%, 11/01/41 | 05/11 @ 101 | 7,023,50 |
| BB- | 19,750 | Econ. Dev. Fin. Auth. Exempt Facs. Rev., Reliant Energy Conv. Proj., Ser. A, 6.75%, 12/01/36 Higher Edl. Facs. Auth., | 12/09 @ 103 | 21,257,70 |
| BBB | 4,000 | La Salle Univ. Proj., 5.50%, 5/01/34 | 05/13 @ 100 | 4,224,00 |
| A | 17,250 ⁴ | Univ. of Pennsylvania Hlth. Svcs. Proj., Ser. A, 5.75%, 1/01/06 | N/A | 17,632,70 |
| | | | | 50,138,00 |
| South Carolina 4.8% | | | | |
| Jobs Econ. Dev. Auth. Hosp. Facs. Rev., Palmetto Hlth. Alliance Proj., | | | | |
| BBB+ | 5,075 | Ser. A, 6.25%, 8/01/31 | 08/13 @ 100 | 5,544,70 |
| BBB+ | 9,000 | Ser. C, 6.875%, 8/01/27 | 08/13 @ 100 | 10,247,00 |
| Lexington Cnty. Hlth. Svcs. Dist., Hosp. Rev., | | | | |
| A | 5,000 | 5.50%, 11/01/32 | 11/13 @ 100 | 5,323,10 |
| A | 10,000 | 5.75%, 11/01/28 | 11/13 @ 100 | 10,895,40 |
| | | | | 32,010,30 |
| Tennessee 1.5% | | | | |
| AAA | 20,825 | Knox Cnty. Hlth. Edl. & Hsg. Facs. Brd., Hosp. Facs. Rev., Ser. A, Zero Coupon, 1/01/20, FSA | 01/13 @ 67.474 | 9,787,30 |
| Texas 13.4% | | | | |
| Affordable Hsg. Corp., Multi-Fam. Hsg. Rev., Ser. B, | | | | |
| BB- | 6,445 | So. Texas Pptys. Corp., 8.00%, 3/01/32 | 09/12 @ 102 | 6,113,10 |
| C | 4,435 ⁶ | Amer. Oppty. Hsg. Portfolio, 8.00%, 3/01/32 | 09/12 @ 102 | 1,330,50 |
| Affordable Hsg. Corp. Multi-Fam. Hsg. Rev., | | | | |
| Ba3 | 6,010 | 5.80%, 11/01/26 | 11/11 @ 102 | 4,781,80 |
| Ba3 | 18,605 | Arborstone/Baybrook Oaks Proj., Ser. A, 5.85%, 11/01/31 | 11/11 @ 102 | 14,541,40 |
| BBB | 945 | Brazos River Auth., PCR, TXU Elec. Co. Proj., Ser. C, 6.75%, 10/01/38 | 10/13 @ 101 | 1,049,80 |

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| AAA | 3,805 | Dallas Area Rapid Trans., 5.00%, 12/01/31, AMBAC | 12/11 @ 100 | 3,931,7 |
|-----|-------|--|-------------|---------|

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BlackRock Municipal Income Trust (BFK) (continued)

| Rating ¹ | Principal Amount (000) | Description | Option Call Provisions ² | Value |
|--|------------------------|--|-------------------------------------|--------------|
| Texas (continued) | | | | |
| AAA | \$ 2,875 | Harlandale Indpt. Sch. Dist., Refdg., 5.00%, 8/15/35 | 08/15 @ 100 | \$ 3,018,434 |
| Harris Cnty. Houston Sports Auth., MBIA, | | | | |
| AAA | 12,580 | Ser. A, Zero Coupon, 11/15/38 | 11/30 @ 61.166 | 2,085,890 |
| AAA | 26,120 | Ser. A-3, Zero Coupon, 11/15/37 | 11/24 @ 46.545 | 4,492,379 |
| AAA | 5,000 | Ser. H, Zero Coupon, 11/15/35 | 11/31 @ 78.178 | 1,006,350 |
| Tpke. Auth., Central Sys. Rev., AMBAC, | | | | |
| AAA | 35,000 | Zero Coupon, 8/15/32 | 08/12 @ 30.846 | 7,806,400 |
| AAA | 62,325 | Zero Coupon, 8/15/33 | 08/12 @ 28.997 | 13,058,334 |
| AAA | 65,040 | Zero Coupon, 8/15/34 | 08/12 @ 27.31 | 12,834,993 |
| AAA | 11,995 | University Texas Permanent University Fund, Series B, Refunding Series B, 5.00%, 7/01/35 | 07/15 @ 100 | 12,666,360 |
| | | | | 88,717,746 |
| Virginia 0.3% | | | | |
| AAA | 8,105 | Transp. Brd. Trust, Zero Coupon, 4/01/32, MBIA | 04/12 @ 34.99 | 2,021,144 |
| Washington 3.5% | | | | |
| A- | 2,190 ⁴ | Energy Northwest Wind Proj., Ser. B, 6.00%, 1/01/07 | N/A | 2,347,811 |
| AAA | 9,275 | Port Seattle Rev., Ser. A, 5.00%, 3/01/35, MBIA | 03/15 @ 100 | 9,720,571 |
| AAA | 10,170 | Port Seattle Rev., Ser. A, 5.00%, 3/01/30, MBIA | 03/15 @ 100 | 10,707,383 |
| | | | | 22,775,765 |
| West Virginia 0.3% | | | | |
| AAA | 2,070 | Econ. Dev. Auth., Correctional Juvenile Safety, Ser. A, 5.00%, 6/01/29, MBIA | 06/14 @ 100 | 2,178,489 |
| Wisconsin 5.9% | | | | |
| Hlth. & Edl. Facs. Auth., | | | | |
| A- | 7,500 | Aurora Hlth. Care Proj., 6.40%, 4/15/33 | 04/13 @ 100 | 8,320,275 |
| AA- | 13,750 | Froedert & Cmnty. Hlth. Oblig., 5.375%, 10/01/30 | 10/11 @ 101 | 14,307,975 |
| A | 15,000 | Wheaton Franciscan Svcs., 5.75%, 8/15/30 | 02/12 @ 101 | 16,031,250 |
| | | | | 38,659,500 |
| Puerto Rico 2.5% | | | | |
| BBB- | 52,775 | Childrens Trust Fund Tobacco Settlement Rev., Ser. A, Zero Coupon, 5/15/50 | 05/15 @ 11.191 | 3,350,157 |
| BBB+ | 12,465 | Comnwlth Infra. Fin. Auth. Spl. Tax Rev., Ser. B, 5.00%, 7/01/41 | 07/15 @ 100 | 12,988,779 |

| | | | |
|---|--------------------|--|---------------|
| Total Long-Term Investments (cost \$1,013,187,528) | | | 1,074,290,076 |
| SHORT-TERM INVESTMENTS 3.0% | | | |
| Idaho 1.2% | | | |
| A1+ | 8,000 ⁷ | Hlth. Fac. Auth. Rev., St. Lukes Reg. Med. Ctr. Proj., 2.24%, 8/01/05, FSA, FRDD | N/A 8,000,000 |
| Texas 0.9% | | | |
| A1+ | 5,800 ⁷ | Texas Water Dev. Board Rev., 2.33%, 8/01/05, FRDD | N/A 5,800,000 |
| Puerto Rico 0.0% | | | |
| A-1 | 100 ⁷ | Puerto Rico Gov t. Dev. Bank, 2.23%, 08/03/05, MBIA, FRWD | N/A 100,000 |

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BlackRock Municipal Income Trust (BFK) (continued)

| Shares (000) | Description | Value |
|--|--|----------------|
| Money Market Funds 0.9% | | |
| 5,750 | AIM Tax Free Investment. Co. Cash Reserve Portfolio | \$ 5,750,000 |
| Total Short-Term Investments (cost \$19,650,000) | | 19,650,000 |
| Total Investments 165.6% (cost \$1,032,837,528) | | 1,093,940,076 |
| | Liabilities in excess of other assets (including \$70,611,313 of investment purchase payable) (8.8)% | (58,086,605) |
| | Preferred stock at redemption value, including dividends payable (56.8)% | (375,236,397) |
| Net Assets Applicable to Common Shareholders 100% | | \$ 660,617,074 |

¹ Using the higher of Standard & Poor's, Moody's Investor Service or Fitch Ratings.

² Date (month/year) and price of the earliest optional call or redemption. There may be other call provisions at varying prices at later dates.

³ Security, or a portion thereof, pledged as collateral with a value of \$4,359,751 on 2,433 short U.S. Treasury Note futures contracts expiring September 2005. The value of such contracts on July 31, 2005 was \$270,024,984, with an unrealized gain of \$1,344,650.

⁴ This bond is prefunded. U.S. government securities, held in escrow, are used to pay interest on this security, as well as retire the bond in full at the date indicated, typically at a premium to par.

⁵ Security is not registered under the Securities Act of 1933. These securities may be resold in transactions in accordance with Rule 144A under that Act, to qualified institutional buyers. As of July 31, 2005, the Trust held 7.0% of its net assets, with a current market value of \$46,386,850, in securities restricted as to resale.

⁶ Illiquid security representing 0.2% of net assets.

⁷ For purposes of amortized cost valuation, the maturity date of this instrument is considered to be the earlier of the next date on which the security can be redeemed at par, or the next date on which the rate of interest is adjusted.

⁸ Cost for Federal income tax purposes is \$1,032,806,490. The net unrealized appreciation on a tax basis is \$61,133,586, consisting of \$70,399,410 gross unrealized appreciation and \$9,265,824 gross unrealized depreciation.

KEY TO ABBREVIATIONS

| | | | |
|-------|---|------|---------------------------------|
| ACA | American Capital Access | FSA | Financial Security Assurance |
| AMBAC | American Municipal Bond Assurance Corp. | GO | General Obligation |
| FGIC | Financial Guaranty Insurance Co. | MBIA | Municipal Bond Insurance Assoc. |
| FRDD | Floating Rate Daily Demand | PCR | Pollution Control Revenue |
| FRWD | Floating Rate Weekly Demand | | |

Item 2. Controls and Procedures.

(a) The Registrant's principal executive and principal financial officers have evaluated the Registrant's disclosure controls and procedures within 90 days of this filing and have concluded, as of that date, that the Registrant's disclosure controls and procedures were reasonably designed to ensure that information required to be disclosed by the Registrant in this Form N-Q was recorded, processed, summarized, and reported within the required time periods and that information to be disclosed by the Registrant in this Form N-Q was accumulated and communicated to the Registrant's management, including its principal executive and principal financial officers, as appropriate to allow timely decisions regarding required disclosure.

(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 (17 CFR 270.30a-3(d))) 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.

Separate certifications of the registrant's principal executive and financial officers pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 are attached as EX-99.CERT.

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.

(Registrant) BlackRock Municipal Income Trust

By: /s/ Henry Gabbay
Name: Henry Gabbay
Title: Treasurer
Date: September 28, 2005

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

By: /s/ Robert S. Kapito
Name: Robert S. Kapito
Title: Principal Executive Officer
Date: September 28, 2005

By: /s/ Henry Gabbay
Name: Henry Gabbay
Title: Principal Financial Officer
Date: September 28, 2005
