

BLACKROCK MUNICIPAL INCOME TRUST  
Form N-Q  
March 31, 2006

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, 2006

Date of reporting period: January 31, 2006

**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**  
**JANUARY 31, 2006 (unaudited)**
**BlackRock Municipal Income Trust (BFK)**

| Rating <sup>1</sup>                                     | Principal Amount (000) | Description   | Option Call Provisions <sup>2</sup> | Value         |
|---|------------------------|---|-------------------------------------|---------------|
| <b>LONG-TERM INVESTMENTS 151.5%</b>                     |                        |   |                                     |               |
| <b>Alabama 2.5%</b>                                     |                        |   |                                     |               |
| A2  | \$15,000               | Huntsville Hlth. Care Auth., GO, Ser. B, 5.75%, 6/01/32   | 06/12 @ 101                         | \$ 16,006,650 |
| <b>Arizona 4.8%</b>                                     |                        |   |                                     |               |
| AAA   | 7,225                  | Phoenix Civic Impvt. Corp., Civic Plaza Expansion Proj., 5.00%, 7/01/35, FGIC                                 | 7/15 @ 100                          | 7,482,571     |
| AA  | 15,805                 | Salt River Proj. Agricultral Impvt. & Pwr. Dist., Ser. A, 5.00%, 1/01/35                                      | 01/16 @ 100                         | 16,520,809    |
| A3  | 7,000                  | Scottsdale Ind. Dev. Auth., Scottsdale Hlth. Care Proj., 5.80%, 12/01/31                                      | 12/11 @ 101                         | 7,478,310     |
|   |                        |   |                                     | 31,481,690    |
| <b>California 16.3%</b>                                 |                        |   |                                     |               |
| Foothill/Eastn. Transp. Corridor Agcy., Toll Road Rev., |                        |   |                                     |               |
| BBB   | 54,635                 | Zero Coupon, 1/15/32  | 01/10 @ 27.37                       | 11,888,576    |
| BBB   | 20,535                 | Zero Coupon, 1/15/34  | 01/10 @ 24.228                      | 3,951,755     |
| BBB   | 75,000                 | Zero Coupon, 1/15/38  | 01/10 @ 19.014                      | 11,306,250    |
| Golden St. Tobacco Sec. Corp.,                          |                        |   |                                     |               |
| A-  | 22,365                 | Ser. A, 5.00%, 6/01/45  | 06/15 @ 100                         | 22,584,848    |
| BBB   | 10,000                 | Ser. A-1, 6.625%, 6/01/40   | 06/13 @ 100                         | 11,142,100    |
| AAA   | 11,760                 | Los Angeles Dept. of Wtr. & Pwr. Sys., 5.00%, 7/01/31, FSA  | 07/15 @ 100                         | 12,281,909    |
| NR  | 3,500                  | Lincoln Spl. Tax, Cmnty. Facs. Dist., 6.00%, 9/01/34  | 09/13 @ 102                         | 3,730,160     |
| AAA   | 13,320                 | Los Angeles Regl. Arpt. Impvt. Corp. Lease Facs. Rev., LAXfuel Corp., L.A. Intl. Proj., 5.50%, 1/01/32, AMBAC | 01/12 @ 100                         | 13,954,831    |
| NR  | 5,000                  | Murrieta Cmnty. Facs. Dist., Spl. Tax No. 2, The Oaks Impvt. Area A Proj., 6.00%, 9/01/34                     | 09/14 @ 100                         | 5,222,500     |
| A+  | 5,000                  | Statewide Cmnty. Dev. Auth., Mem. Hlth. Svcs. Proj., Ser. A, 5.50%, 10/01/33                                  | 04/13 @ 100                         | 5,252,900     |
| AAA   | 5,000                  | Univ. of California, Ser. C, 4.75%, 5/15/37, MBIA   | 05/13 @ 101                         | 5,026,900     |
|   |                        |   |                                     | 106,342,729   |
| <b>Colorado 1.4%</b>                                    |                        |   |                                     |               |
| BBB   | 3,500                  | Denver Hlth. & Hosp. Auth., Hlth. Care Rev., Ser. A, 6.00%, 12/01/31  | 12/11 @ 100                         | 3,655,015     |
| Baa2  | 2,530                  | Park Creek Met. Dist. Rev., Ppty. Tax, 5.50%, 12/01/37  | 12/15 @ 101                         | 2,605,723     |
| AAA   | 2,545                  | Springs Utils. Rev., Ser. C, 5.00%, 11/15/45, FSA   | 11/15 @ 100                         | 2,614,198     |

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|                                  |        |  |                |            |
|----------------------------------|--------|--|----------------|------------|
| 8,874,936                        |        |  |                |            |
| <b>District of Columbia 6.3%</b> |        |  |                |            |
| Georgetown Univ. Proj.,          |        |  |                |            |
| AAA                              | 15,600 | Ser. A, Zero Coupon, 4/01/36, MBIA   | 04/11 @ 22.875 | 2,744,820  |
| AAA                              | 51,185 | Ser. A, Zero Coupon, 4/01/37, MBIA   | 04/11 @ 21.546 | 8,478,795  |
| A                                | 2,390  | Friendship Pub. Charter Sch., Inc. Proj., 5.25%, 6/01/33, ACA                              | 06/14 @ 100    | 2,413,900  |
| BBB                              | 25,535 | Tobacco Settlement Fin. Corp., 6.75%, 5/15/40  | 05/11 @ 101    | 27,564,522 |
| 41,202,037                       |        |  |                |            |
| <b>Florida 10.5%</b>             |        |  |                |            |
| NR                               | 4,000  | Bellalago Ed. Fac. Benefits Dist., Ser. B, 5.80%, 5/01/34                                  | 05/14 @ 100    | 4,070,960  |
| NR                               | 4,000  | Bridgewater Cmnty. Dev. Dist., Spl. Assmt., Ser. A, 6.00%, 5/01/35                         | 05/12 @ 101    | 4,114,760  |
| NR                               | 2,000  | CFM Cmnty. Dev. Dist., Cap. Impvt., Ser. A, 6.25%, 5/01/35                                 | 05/14 @ 101    | 2,105,320  |
| Baa3                             | 4,600  | Escambia Cnty., PCR, Champion Intl. Corp. Proj., 6.40%, 9/01/30                            | 09/06 @ 102    | 4,779,768  |
| NR                               | 2,000  | Heritage Isle at Viera Cmnty. Dev. Dist., Spl. Assmt., Ser. A, 6.00%, 5/01/35              | 05/12 @ 101    | 2,050,280  |
| A+                               | 9,670  | Highlands Cnty. Hlth. Facs. Auth., Hosp. Adventist/Sunbelt Proj., Ser. A, 6.00%, 11/15/31  | 11/11 @ 101    | 10,449,789 |
| BB+                              | 9,000  | Martin Cnty. Incl. Dev. Auth., Indiantown Cogeneration Proj., Ser. A, 7.875%, 12/15/25     | 03/06 @ 101    | 9,296,280  |
| BB+                              | 11,685 | Miami Beach Hlth. Facs. Auth., Mt. Sinai Med. Ctr. Proj., 6.75%, 11/15/21                  | 11/14 @ 100    | 13,093,977 |
| AAA                              | 3,680  | Peace River/Manasota Regl. Wtr. Sply. Auth., 5.00%, 10/01/30, FSA                          | 10/15 @ 100    | 3,843,208  |
| NR                               | 3,970  | Stevens Plantation Cmnty. Dev. Dist., Spl. Assmt. Rev., Ser. A, 7.10%, 5/01/35             | 05/14 @ 100    | 4,150,953  |
| NR                               | 9,970  | Vlg. Cmnty. Dev. Dist. No. 6, Spl. Assmt. Rev., 5.625%, 5/01/22                            | 05/13 @ 100    | 10,142,979 |
| 68,098,274                       |        |  |                |            |
| <b>Georgia 0.6%</b>              |        |  |                |            |
| BBB                              | 4,000  | Richmond Cnty. Dev. Auth., Env. Impvt. Rev., Intl. Paper Co. Proj., Ser. A, 6.00%, 2/01/25 | 02/12 @ 101    | 4,197,560  |
| <b>Idaho 2.7%</b>                |        |  |                |            |
| AAA                              | 16,970 | Univ. of Idaho, Student Fee Hsg. Impvt. Proj., 5.40%, 4/01/41, FGIC                        | 04/11 @ 100    | 17,760,802 |

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**BlackRock Municipal Income Trust (BFK) (continued)**

| Rating <sup>1</sup>   | Principal Amount (000) | Description                        | Option Call Provisions <sup>2</sup> | Value        |
|-----------------------|------------------------|------------------------------------|-------------------------------------|--------------|
| <b>Illinois 14.4%</b> |                        |                                    |                                     |              |
| Bolingbrook,          |                        |                                    |                                     |              |
| AAA                   | \$ 7,120               | Ser. B, Zero Coupon, 1/01/33, FGIC | No Opt. Call                        | \$ 1,924,963 |

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|                           |                      |   |              |            |
|---------------------------|----------------------|---|--------------|------------|
| AAA                       | 14,085               | Ser. B, Zero Coupon, 1/01/34, FGIC  | No Opt. Call | 3,607,591  |
| NR                        | 4,630 <sup>3</sup>   | Centerpoint Intermodal Ctr. Prog. Trust, Ser. A, 8.00%, 6/15/23                                   | No Opt. Call | 4,687,366  |
| A+                        | 7,145 <sup>4,5</sup> | Dev. Fin. Auth. Hosp. Rev., Adventist Hlth. Sys. Sunbelt Oblig. Proj., 5.65%, 11/15/09            | N/A          | 7,749,824  |
| Aa1                       | 760                  | Edl. Facs. Auth. Rev., Bal Union Chicago Proj., Ser. A, 5.25%, 7/01/41                            | 07/11 @ 101  | 798,745    |
|                           |                      | Edl. Facs. Auth., Student Hsg. Rev., Edl. Advancement Fund Univ. Ctr. Proj.,                      |              |            |
| BBB                       | 10,000               | 6.25%, 5/01/30  | 05/12 @ 101  | 10,845,400 |
| BBB                       | 7,000                | 6.25%, 5/01/34  | 05/07 @ 100  | 7,189,560  |
| BB+                       | 1,685                | Fin. Auth. Rev., Friendship Vlg. Schaumburg Proj., Ser. A, 5.625%, 2/15/37                        | 02/15 @ 100  | 1,691,892  |
|                           |                      | Fin. Auth. Student Hsg., MJH Ed. Asst. Living Proj.,  |              |            |
| Baa2                      | 2,100                | Ser. A, 5.125%, 6/01/35   | 06/14 @ 100  | 2,083,557  |
| Baa3                      | 1,675                | Ser. B, 5.375%, 6/01/35   | 06/14 @ 100  | 1,662,102  |
| AA+                       | 3,700                | Fin. Auth., Northwestern Mem. Hosp. Proj., Ser. A, 5.50%, 8/15/43                                 | 08/14 @ 100  | 3,927,402  |
|                           |                      | Hlth. Facs. Auth., Elmhurst Mem. Hlth. Care Proj.,  |              |            |
| A                         | 5,000                | 5.50%, 1/01/22  | 01/13 @ 100  | 5,248,550  |
| A                         | 6,000                | 5.625%, 1/01/28   | 01/13 @ 100  | 6,291,540  |
| 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 | 10,258,400 |
|                           |                      | O Hare Intl. Arpt.,   |              |            |
| AAA                       | 3,000                | Ser. A, 5.00%, 1/01/29, MBIA  | 01/15 @ 100  | 3,113,460  |
| AAA                       | 4,000                | Ser. A, 5.00%, 1/01/30, MBIA  | 01/15 @ 100  | 4,145,320  |
| AAA                       | 10,035               | Ser. A, 5.00%, 1/01/33, FGIC  | 01/16 @ 100  | 10,367,359 |
| AAA                       | 7,645                | Ser. C-2, 5.25%, 1/01/30, FSA   | 01/14 @ 100  | 7,930,006  |
|                           |                      |   |              | 93,523,037 |
| <b>Indiana 6.0%</b>       |                      |   |              |            |
| A+                        | 9,000                | Hlth. Fac. Fin. Auth., Methodist Hosp., Inc. Proj., 5.50%, 9/15/31                                | 09/11 @ 100  | 9,252,900  |
|                           |                      | Petersburg, PCR, Pwr. & Lt. Conv.,  |              |            |
| BBB+                      | 10,000               | 5.90%, 12/01/24   | 08/11 @ 102  | 10,495,900 |
| BBB+                      | 16,000               | 5.95%, 12/01/29   | 08/11 @ 102  | 16,737,120 |
| NR                        | 2,470                | Vincennes Econ. Dev., Southwest Indiana Regl. Youth Proj., 6.25%, 1/01/24                         | 01/09 @ 102  | 2,464,689  |
|                           |                      |   |              | 38,950,609 |
| <b>Kentucky 1.4%</b>      |                      |   |              |            |
| AAA                       | 9,060                | Hsg. Corp., Hsg. Rev., Ser. F, 5.45%, 1/01/32   | 07/11 @ 100  | 9,316,851  |
| <b>Louisiana 1.8%</b>     |                      |   |              |            |
| A                         | 10,510               | Local Gov t. Env. Facs. & Cmnty. Dev. Auth. Cap. Projs. & Equip. Acquisition, 6.55%, 9/01/25, ACA | No Opt. Call | 11,674,298 |
| <b>Maine 0.4%</b>         |                      |   |              |            |
| AAA                       | 2,750                | Hlth. & Higher Edl. Fac. Auth., 5.00%, 7/01/29  | 07/15 @ 100  | 2,858,708  |
| <b>Maryland 0.7%</b>      |                      |   |              |            |
| BBB+                      | 4,205                | Hlth. & Higher Edl. Facs. Auth., Medstar Hlth. Proj., 5.50%, 8/15/33                              | 08/14 @ 100  | 4,340,653  |
| <b>Massachusetts 0.4%</b> |                      |   |              |            |
| AAA                       | 2,500                | Wtr. Res. Auth., Ser. B, 5.00%, 8/01/35   | 08/17 @ 100  | 2,615,800  |

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| <b>Mississippi 2.9%</b>          |                     |  |             |            |
|----------------------------------|---------------------|--|-------------|------------|
| A                                | 18,680              | Gulfport Hosp. Fac., Mem. Hosp. Gulfport Proj., Ser. A, 5.75%, 7/01/31             | 07/11 @ 100 | 19,175,954 |
| <b>Multi-State 7.1%</b>          |                     |  |             |            |
| Charter Mac Equity Issuer Trust, |                     |  |             |            |
| A3                               | 1,000 <sup>3</sup>  | Ser. A, 6.625%, 6/30/49  | 06/09 @ 100 | 1,071,950  |
| A3                               | 11,000 <sup>3</sup> | Ser. A-2, 6.30%, 6/30/49   | 06/09 @ 100 | 11,604,450 |
| A3                               | 16,000 <sup>3</sup> | Ser. A-3, 6.80%, 10/01/52  | 10/14 @ 100 | 18,030,400 |
| Baa1                             | 6,500 <sup>3</sup>  | Ser. B-1, 6.80%, 11/30/50  | 11/10 @ 100 | 7,009,925  |
| A3                               | 8,000 <sup>3</sup>  | MuniMae TE Bond Subsidiary LLC, Ser. A, 6.875%, 6/30/49                            | 06/09 @ 100 | 8,585,920  |
|                                  |                     |  |             | 46,302,645 |
| <b>Nevada 0.8%</b>               |                     |  |             |            |
| AAA                              | 5,000               | Clark Cnty. Arpt. Rev., Jet Aviation Fuel Tax Proj., Ser. C, 5.00%, 7/01/40, AMBAC | 07/15 @ 100 | 5,120,450  |
| <b>New Hampshire 0.6%</b>        |                     |  |             |            |
| A+                               | 3,500               | Hlth. & Edl. Facs. Auth., Exeter Hosp. Proj., 5.75%, 10/01/31                      | 10/11 @ 101 | 3,694,985  |

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**BlackRock Municipal Income Trust (BFK) (continued)**

| Rating <sup>1</sup>            | Principal Amount (000) | Description  | Option Call Provisions <sup>2</sup> | Value         |
|--------------------------------|------------------------|--|-------------------------------------|---------------|
| <b>New Jersey 7.4%</b>         |                        |  |                                     |               |
| Econ. Dev. Auth.,              |                        |  |                                     |               |
| BBB                            | \$18,500               | Cigarette Tax Rev., 5.75%, 6/15/29   | 06/14 @ 100                         | \$ 19,635,715 |
| B                              | 15,410                 | Continental Airlines, Inc. Proj., 7.00%, 11/15/30  | 11/10 @ 101                         | 15,297,353    |
| Baa3                           | 8,000                  | Kapkowski Rd. Landfill Proj., 6.50%, 4/01/28   | No Opt. Call                        | 9,385,600     |
| NR                             | 3,680                  | Middlesex Cnty. Imprt. Auth., Heldrich Ctr. Hotel Proj., Ser. B, 6.25%, 1/01/37                    | 01/15 @ 100                         | 3,640,661     |
|                                |                        |  |                                     | 47,959,329    |
| <b>New York 18.1%</b>          |                        |  |                                     |               |
| NR                             | 1,820                  | Albany Inld. Dev. Agcy., New Covenant Charter Sch. Proj., Ser. A, 7.00%, 5/01/35                   | 05/15 @ 102                         | 1,720,228     |
| AAA                            | 5,375                  | Env. Facs. Corp., St. Clean Wtr. & Drinking Wtr. Rev., NYC Mun. Wtr. Proj., Ser. B, 5.00%, 6/15/31 | 06/12 @ 100                         | 5,564,200     |
| AA-                            | 48,220                 | Liberty Dev. Corp. Proj., 5.25%, 10/01/35  | No Opt. Call                        | 53,513,591    |
| AAA                            | 7,115                  | Met. Transp. Auth. Svc. Contract, Ser. A, 5.00%, 7/01/30, AMBAC                                    | 07/12 @ 100                         | 7,354,989     |
| New York City Ind. Dev. Agcy., |                        |  |                                     |               |
| B-                             | 27,400                 | American Airlines, JFK Intl. Arpt. Proj., 7.75%, 8/01/31   | 08/16 @ 101                         | 28,513,536    |
| B-                             | 5,000                  | American Airlines, JFK Intl. Arpt. Proj., 8.00%, 8/01/28   | 08/16 @ 101                         | 5,294,800     |

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|                            |                    |   |                |             |
|----------------------------|--------------------|---|----------------|-------------|
| BBB                        | 21,845             | New York Cntys. Tobacco Trust III, Zero Coupon, 6/01/38                                       | 06/15 @ 26.186 | 3,325,683   |
|                            |                    | Sales Tax Asset Receivable Corp.,   |                |             |
| AAA                        | 7,000              | Ser. A, 5.00%, 10/15/29, AMBAC  | 10/14 @ 100    | 7,326,200   |
| AAA                        | 5,075              | Ser. A, 5.00%, 10/15/32, AMBAC  | 10/14 @ 100    | 5,289,063   |
|                            |                    |   |                | 117,902,290 |
| <b>North Carolina 5.4%</b> |                    |   |                |             |
| NR                         | 12,130             | Gaston Cnty. Incl. Facs. & Poll. Ctrl. Fin. Auth., 5.75%, 8/01/35                             | 08/15 @ 100    | 12,724,491  |
| AA+                        | 21,460             | Univ. of NC, Chapel Hill Rev., Ser. A, 5.00%, 12/01/34  | 12/15 @ 100    | 22,459,607  |
|                            |                    |   |                | 35,184,098  |
| <b>Ohio 9.6%</b>           |                    |   |                |             |
| AAA                        | 23,820             | Air Qual. Dev. Auth., 4.80%, 1/01/34, FGIC  | 07/15 @ 100    | 23,998,412  |
| BBB                        | 14,500             | Air Quality Dev. Auth., PCR, Cleveland Elec. Illuminating Co. Proj., Ser. B, 6.00%, 8/01/20   | 08/07 @ 102    | 15,112,335  |
| AAA                        | 10,000             | Madeira City Sch. Dist., 5.00%, 12/01/32, MBIA  | 12/14 @ 100    | 10,404,700  |
| NR                         | 3,760              | Pinnacle Cmnty. Infrastructure Fin. Auth. Facs., Ser. A, 6.25%, 12/01/36                      | 12/14 @ 101    | 3,947,549   |
| AAA                        | 9,000              | Wtr. Dev. Auth. Poll. Ctrl. Facs. Rev., Dayton Pwr. & Lt. Proj., Ser. A, 4.80%, 1/01/34, FGIC | 07/15 @ 100    | 8,999,640   |
|                            |                    |   |                | 62,462,636  |
| <b>Oklahoma 1.2%</b>       |                    |   |                |             |
| B-                         | 7,175              | Tulsa Mun. Arpt. Trust, Ser. A, 7.75%, 6/01/35  | No Opt. Call   | 7,567,329   |
| <b>Pennsylvania 4.9%</b>   |                    |   |                |             |
|                            |                    | Econ. Dev. Fin. Auth.,  |                |             |
| A3                         | 6,500              | Amtrak Proj., Ser. A, 6.375%, 11/01/41  | 05/11 @ 101    | 6,951,165   |
| BB-                        | 19,750             | Exempt Facs. Rev., Reliant Energy Conv. Proj., Ser. A, 6.75%, 12/01/36                        | 12/09 @ 103    | 21,103,863  |
| BBB+                       | 4,000              | Higher Edl. Facs. Auth., La Salle Univ. Proj., 5.50%, 5/01/34                                 | 05/13 @ 100    | 4,194,240   |
|                            |                    |   |                | 32,249,268  |
| <b>South Carolina 4.9%</b> |                    |   |                |             |
|                            |                    | Jobs Econ. Dev. Auth. Hosp., Facs. Rev.,  |                |             |
| BBB+                       | 8,010 <sup>4</sup> | Palmetto Hlth. Proj., 6.875%, 8/01/27   | N/A            | 9,562,899   |
| BBB+                       | 990                | Palmetto Hlth. Proj., 6.875%, 8/01/27   | 08/13 @ 100    | 1,139,530   |
| BBB+                       | 5,075              | Palmetto Hlth. Alliance Proj., Ser. A, 6.25%, 8/01/31   | 08/13 @ 100    | 5,490,490   |
|                            |                    | Lexington Cnty. Hlth. Svcs. Dist., Hosp. Rev.,  |                |             |
| A                          | 5,000              | 5.50%, 11/01/32   | 11/13 @ 100    | 5,276,700   |
| A                          | 10,000             | 5.75%, 11/01/28   | 11/13 @ 100    | 10,781,900  |
|                            |                    |   |                | 32,251,519  |
| <b>Tennessee 1.5%</b>      |                    |   |                |             |
| 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 | 9,968,303   |
| <b>Texas 9.7%</b>          |                    |   |                |             |

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| Affordable Hsg. Corp., Multi-Fam. Hsg. Rev., |                      |   |                |           |
|--|----------------------|---|----------------|-----------|
| NR   | 4,435 <sup>6,7</sup> | Amer. Oppty. Hsg. Portfolio, Ser. B, 8.00%, 3/01/32                   | 09/12 @ 102    | 665,250   |
| BB-  | 6,410 <sup>6</sup>   | So. Texas Pptys. Corp., Ser. B, 8.00%, 3/01/32                        | 09/12 @ 102    | 6,046,489 |
| BBB  | 945                  | Brazos River Auth., PCR, TXU Elec. Co. Proj., Ser. C, 6.75%, 10/01/38 | 10/13 @ 101    | 1,038,631 |
| AAA  | 3,805                | Dallas Area Rapid Trans., 5.00%, 12/01/31, AMBAC                      | 12/11 @ 100    | 3,897,423 |
| Harris Cnty. Houston Sports Auth.,           |                      |   |                |           |
| AAA  | 12,580               | Ser. A, Zero Coupon, 11/15/38, MBIA                                   | 11/30 @ 61.166 | 2,069,284 |
| AAA  | 26,120               | Ser. A-3, Zero Coupon, 11/15/37, MBIA                                 | 11/24 @ 46.545 | 4,677,831 |
| AAA  | 5,000                | Ser. H, Zero Coupon, 11/15/35, MBIA                                   | 11/31 @ 78.178 | 996,950   |
| AAA  | 9,085                | North Texas Tollway Auth., 5.00%, 1/01/40, FSA                        | 01/15 @ 100    | 9,334,474 |

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**BlackRock Municipal Income Trust (BFK) (continued)**

| Rating <sup>1</sup>                                     | Principal Amount (000) | Description  | Option Call Provisions <sup>2</sup> | Value        |
|---|------------------------|--|-------------------------------------|--------------|
| <b>Texas (cont d)</b>                                   |                        |  |                                     |              |
| Tpke. Auth., Central Sys. Rev.                          |                        |  |                                     |              |
| AAA   | \$35,000               | Zero Coupon, 8/15/32, AMBAC  | 08/12 @ 30.846                      | \$ 7,938,700 |
| AAA   | 62,325                 | Zero Coupon, 8/15/33, AMBAC  | 08/12 @ 28.997                      | 13,280,211   |
| AAA   | 65,040                 | Zero Coupon, 8/15/34, AMBAC  | 08/12 @ 27.31                       | 13,041,821   |
|   |                        |  |                                     | 62,987,064   |
| <b>Virginia 0.3%</b>                                    |                        |  |                                     |              |
| AAA   | 8,105                  | Transp. Brd. Trust, Zero Coupon, 4/01/32, MBIA                                     | 04/12 @ 34.99                       | 2,057,049    |
| <b>Washington 0.4%</b>                                  |                        |  |                                     |              |
| A-  | 2,190 <sup>4</sup>     | Energy Northwest Wind Proj., Ser. B, 6.00%, 1/01/07                                | N/A                                 | 2,304,909    |
| <b>West Virginia 0.3%</b>                               |                        |  |                                     |              |
| AAA   | 2,070                  | Econ. Dev. Auth., Correctional Juvenile Safety Proj., Ser. A, 5.00%, 6/01/29, MBIA | 06/14 @ 100                         | 2,152,759    |
| <b>Wisconsin 6.2%</b>                                   |                        |  |                                     |              |
| Hlth. & Edl. Facs. Auth.,                               |                        |  |                                     |              |
| A-  | 7,500                  | Aurora Hlth. Care Proj., 6.40%, 4/15/33  | 04/13 @ 100                         | 8,270,550    |
| AA-   | 13,750                 | Froedert & Cmnty. Hlth. Oblig. Proj., 5.375%, 10/01/30                             | 10/11 @ 101                         | 14,203,200   |
| A   | 15,000 <sup>4</sup>    | Wheaton Franciscan Svcs. Proj., 5.75%, 8/15/30                                     | N/A                                 | 15,896,850   |
| AAA   | 2,110                  | Pub. Pwr, Inc. Sys., Ser. A, 5.00%, 7/01/37, AMBAC                                 | 07/15 @ 100                         | 2,178,680    |
|   |                        |  |                                     | 40,549,280   |
| <b>Total Long-Term Investments (cost \$939,868,093)</b> |                        |  |                                     | 987,134,501  |

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**SHORT-TERM INVESTMENTS 6.1%**

**New York 1.6%**

|      |                     |   |     |            |
|------|---------------------|---|-----|------------|
| A-1+ | 10,000 <sup>8</sup> | New York St. Loc Govt Asst., 2.88%, 2/01/06, FRWD | N/A | 10,000,000 |
|------|---------------------|---|-----|------------|

**Ohio 1.2%**

|       |                    |  |     |           |
|-------|--------------------|--|-----|-----------|
| VMIG1 | 7,800 <sup>8</sup> | Hamilton Cnty. Hosp. Facs., Ser. A, 3.10%, 2/01/06, FRWD | N/A | 7,800,000 |
|-------|--------------------|--|-----|-----------|

**Puerto Rico 0.0%**

|     |                  |  |     |         |
|-----|------------------|--|-----|---------|
| A-1 | 100 <sup>8</sup> | Gov t. Dev. Bank, 3.01%, 2/01/06, FRWD, MBIA | N/A | 100,000 |
|-----|------------------|--|-----|---------|

**Texas 0.0%**

|      |                 |  |     |        |
|------|-----------------|--|-----|--------|
| A-1+ | 50 <sup>8</sup> | Wtr. Dev. Board Rev., 2.90%, 2/01/06, FRDD | N/A | 50,000 |
|------|-----------------|--|-----|--------|

**Shares  
(000)**

**Money Market Funds 3.3%**

|        |  |     |            |
|--------|--|-----|------------|
| 21,550 | AIM Tax Free Investment Co. Cash Reserve Portfolio | N/A | 21,550,000 |
|--------|--|-----|------------|

**Total Short-Term Investments (cost \$39,500,000)**

39,500,000

**Total Investments 157.6% (cost \$979,368,093)**

\$ 1,026,634,501

Other assets in excess of liabilities 0.0%

129,522

Preferred shares at redemption value, including dividends payable (57.6)%

(375,251,312)

**Net Assets Applicable to Common Shareholders 100%**

\$ 651,512,711

- <sup>1</sup> Using the higher of Standard & Poor's, Moody's Investors Service or Fitch ratings.
- <sup>2</sup> Date (month/year) and price of the earliest optional call or redemption. There may be other call provisions at varying prices at later dates.
- <sup>3</sup> 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 January 31, 2006, the Trust held 7.8% of its net assets, with a current market value of \$50,990,011, in securities restricted as to resale.
- <sup>4</sup> This bond is prerefunded. 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.
- <sup>5</sup> Security, or a portion thereof, pledged as collateral with a value of \$4,495,970 on 670 short U.S. Treasury Note futures contracts expiring March 2006 and 907 short U.S. Treasury Bond futures contracts expiring March 2006. The value of such contracts on January 31, 2006 was \$175,002,406, with an unrealized gain of \$79,788.
- <sup>6</sup> Illiquid Security. As of January 31, 2006, the Trust held 1.0% of its net assets, with a current market value of \$6,711,739.
- <sup>7</sup> Issuer is in default and/or bankruptcy.
- <sup>8</sup> 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. Rate shown is rate as of January 31, 2006.
- <sup>9</sup> Cost for Federal income tax purposes is \$979,177,458. The net unrealized appreciation on a tax basis is \$47,457,043, consisting of \$52,727,648 gross unrealized appreciation and \$5,270,605 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             |      |                                   |

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**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.

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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.

(Registrant) BlackRock Municipal Income Trust

By: /s/ Henry Gabbay

Name: Henry Gabbay

Title: Treasurer and Principal Financial Officer

Date: March 31, 2006

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: President and Principal Executive Officer

Date: March 31, 2006

By: /s/ Henry Gabbay

Name: Henry Gabbay

Title: Treasurer and Principal Financial Officer

Date: March 31, 2006

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