

BLACKROCK MUNICIPAL INCOME TRUST
Form N-Q
March 25, 2014
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: John M. Perlowski, Chief Executive Officer, BlackRock Municipal Income Trust, 55 East 52nd Street, New York, NY 10055

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

Date of fiscal year end: 04/30/2014

Date of reporting period: 01/31/2014

Item 1 – Schedule of Investments

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Schedule of Investments January 31, 2014 (Unaudited)

**BlackRock Municipal Income Trust
(BFK)
(Percentages shown are based on Net
Assets)**

| Municipal Bonds | Par (000) | Value |
|--|--------------|-------------|
| Alabama — 3.4% | | |
| Alabama State Docks Department, Refunding RB, 6.00%, 10/01/40 | \$4,080 | \$4,583,554 |
| County of Jefferson Alabama, RB, Limited Obligation School, Series A, 5.25%, 1/01/19 | 2,910 | 2,921,087 |
| County of Jefferson Alabama Sewer, Refunding RB: | | |
| Convertible CAB, Senior Lien, Series C (AGM), 0.00%, 10/01/38 (a) | 1,135 | 638,460 |
| Convertible CAB, Senior Lien, Series C (AGM), 0.00%, 10/01/42 (a) | 985 | 546,921 |
| Senior Lien, Series A (AGM), 5.00%, 10/01/44 | 1,555 | 1,514,446 |
| Senior Lien, Series A (AGM), 5.25%, 10/01/48 | 2,960 | 2,913,321 |
| Sub-Lien, Series D, 6.00%, 10/01/42 | 5,740 | 5,662,108 |
| Sub-Lien, Series D, 7.00%, 10/01/51 | 1,765 | 1,848,784 |
| | | 20,628,681 |
| Arizona — 2.9% | | |
| Salt Verde Financial Corp., RB, Senior: | | |
| 5.00%, 12/01/32 | 10,030 | 10,276,236 |
| 5.00%, 12/01/37 | 7,460 | 7,532,213 |
| | | 17,808,449 |
| California — 18.3% | | |
| Bay Area Toll Authority, Refunding RB, San Francisco Bay Area Toll Bridge, Series F-1, 5.63%, 4/01/44 | 4,445 | 4,811,224 |
| California Health Facilities Financing Authority, RB, Sutter Health, Series B, 6.00%, 8/15/42 | 6,230 | 7,161,011 |
| California Health Facilities Financing Authority, Refunding RB, St. Joseph Health System, Series A, 5.00%, 7/01/33 | 2,465 | 2,593,476 |
| California Pollution Control Financing Authority, RB: | | |
| County of San Diego California Water Authority Desalination Project Pipeline, 5.00%, 11/21/45 | 2,415 | 2,248,027 |
| | | |
| Municipal Bonds | Par (000) | Value |
| California (continued) | | |
| California Pollution Control Financing Authority, RB (concluded): | | |
| Poseidon Resources (Channel Side) LP Desalination Project, AMT, 5.00%, 7/01/37 (b) | \$2,015 | \$1,828,975 |
| Poseidon Resources (Channel Side) LP Desalination Project, AMT, 5.00%, 11/21/45 (b) | 5,035 | 4,419,874 |
| California State Public Works Board, RB, Various Capital Projects: | | |
| Series I, 5.00%, 11/01/38 | 1,495 | 1,553,365 |
| Sub-Series I-1, 6.38%, 11/01/34 | 2,315 | 2,680,515 |
| California Statewide Communities Development Authority, Refunding RB, Episcopal Communities & Services: | | |
| 5.00%, 5/15/42 | 650 | 612,463 |
| 5.00%, 5/15/47 | 705 | 659,168 |
| City of Los Angeles California Department of Airports, Refunding ARB, Los Angeles International Airport: | | |
| Senior Series A, 5.00%, 5/15/40 | 11,690 | 12,260,706 |

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|--|--------|------------|
| Series A, 5.25%, 5/15/39 | 1,560 | 1,681,212 |
| City of Stockton California Public Financing Authority, ARB, Delta Water Supply Project, Series A, 6.25%, 10/01/40 | 690 | 747,988 |
| County of Stanislaus California Tobacco Securitization Agency, RB, CAB, Sub-Series C, 0.00%, 6/01/55 (c) | 17,855 | 110,522 |
| Foothill Eastern Transportation Corridor Agency California, Refunding RB, CAB, 0.00%, 2/01/14 (c)(d) | 75,000 | 17,820,750 |
| Foothill-De Anza Community College District, GO, Election of 2006, Series C, 5.00%, 8/01/40 | 7,000 | 7,426,440 |
| Murrieta Community Facilities District Special Tax California, Special Tax Bonds, District No.2, The Oaks Improvement Area A, 6.00%, 9/01/34 | 5,000 | 5,017,600 |
| Riverside County Transportation Commission, RB, CAB, Senior Lien, Series B (c): 0.00%, 6/01/41 | 5,000 | 894,200 |
| BLACKROCK MUNICIPAL INCOME TRUST JANUARY 31, 2014 | | |

Schedule of Investments (continued) **BlackRock Municipal Income Trust (BFK)**
(Percentages shown are based on Net Assets)

| Municipal Bonds | Par (000) | Value |
|---|--------------|-------------|
| California (concluded) | | |
| Riverside County Transportation Commission, RB, CAB, Senior Lien, Series B (c) (concluded): | | |
| 0.00%, 6/01/42 | \$6,000 | \$1,002,480 |
| 0.00%, 6/01/43 | 5,000 | 782,150 |
| San Diego Community College District California, GO, Election of 2006, 5.00%, 8/01/43 | 2,115 | 2,249,831 |
| San Marcos Unified School District, GO, CAB, Election of 2010, Series B (c): | | |
| 0.00%, 8/01/34 | 3,500 | 1,221,885 |
| 0.00%, 8/01/36 | 4,000 | 1,243,680 |
| State of California, GO, Various Purposes: | | |
| 6.00%, 3/01/33 | 4,970 | 5,814,403 |
| 6.50%, 4/01/33 | 20,410 | 24,496,490 |
| | | 111,338,435 |
| Colorado — 2.2% | | |
| Colorado Health Facilities Authority, Refunding RB: | | |
| Catholic Health Initiative, Series A, 5.50%, 7/01/34 | 4,205 | 4,664,775 |
| Evangelical Lutheran Good Samaritan Society Project, 5.00%, 12/01/42 | 3,425 | 3,273,786 |
| Colorado State Board of Governors, Refunding RB, State University System Enterprise, Series A, 5.00%, 3/01/43 | 2,310 | 2,548,207 |
| Park Creek Metropolitan District, Refunding RB, Senior Limited Property Tax, 5.50%, 12/01/37 | 2,530 | 2,596,742 |
| | | 13,083,510 |
| Connecticut — 0.5% | | |
| Connecticut State Health & Educational Facility Authority, RB, Ascension Health Senior Credit, Series A, 5.00%, 11/15/40 | 2,710 | 2,823,034 |
| Delaware — 2.0% | | |
| County of Sussex Delaware, RB, NRG Energy, Inc., Indian River Power LLC Project, 6.00%, 10/01/40 | 2,225 | 2,334,648 |
| Delaware State EDA, RB, Exempt Facilities, Indian River Power LLC Project, 5.38%, 10/01/45 | 10,150 | 9,959,890 |
| | | 12,294,538 |
| Municipal Bonds | | |
| | Par (000) | Value |
| District of Columbia — 4.6% | | |
| District of Columbia, Refunding RB, Kipp Charter School, Series A, 6.00%, 7/01/43 | \$1,480 | \$1,562,688 |
| District of Columbia Tobacco Settlement Financing Corp., Refunding RB, Asset-Backed, 6.75%, 5/15/40 | 23,035 | 22,917,982 |
| Metropolitan Washington Airports Authority, Refunding RB, 1st Senior Lien, Series A: | | |
| 5.00%, 10/01/39 | 990 | 1,014,958 |
| 5.25%, 10/01/44 | 2,465 | 2,531,604 |
| | | 28,027,232 |
| Florida — 4.4% | | |
| | 2,280 | 2,380,320 |

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| County of Miami-Dade Florida Aviation, Refunding ARB, Miami International Airport, Series A-1, 5.38%, 10/01/41 | | |
| County of Orange Florida Health Facilities Authority, Refunding RB, Mayflower Retirement Center: | | |
| 5.00%, 6/01/32 | 600 | 602,520 |
| 5.00%, 6/01/36 | 125 | 124,326 |
| 5.13%, 6/01/42 | 1,925 | 1,923,441 |
| County of Tampa-Hillsborough Florida Expressway Authority, Refunding RB: | | |
| Series A, 5.00%, 7/01/37 | 3,920 | 4,080,994 |
| Series B, 5.00%, 7/01/42 | 2,460 | 2,527,945 |
| Miami Beach Health Facilities Authority, RB, Mount Sinai Medical Center Florida, 6.75%, 11/15/21 | 5,570 | 5,807,839 |
| Mid-Bay Bridge Authority, RB, Springing Lien, Series A, 7.25%, 10/01/40 | 5,885 | 6,517,696 |
| Stevens Plantation Community Development District, Special Assessment, Series A, 7.10%, 5/01/35 (e)(f) | 3,590 | 2,673,617 |
| | | 26,638,698 |
| Georgia — 1.8% | | |
| DeKalb Private Hospital Authority, Refunding RB, Children's Healthcare, 5.25%, 11/15/39 | 1,650 | 1,712,337 |
| Metropolitan Atlanta Rapid Transit Authority, RB, Sales Tax, Third Indenture, Series A, 5.00%, 7/01/39 | 5,000 | 5,236,200 |
| BLACKROCK MUNICIPAL INCOME TRUST JANUARY 31, 20142 | | |

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Schedule of Investments (continued) **BlackRock Municipal Income Trust (BFK)**
(Percentages shown are based on Net Assets)

| Municipal Bonds | Par (000) | Value |
|---|--------------|-------------|
| Georgia (concluded) | | |
| Richmond County Development Authority, Refunding RB, International Paper Co. Project, Series A, AMT, 6.00%, 2/01/25 | \$4,000 | \$4,000,960 |
| | | 10,949,497 |
| Hawaii — 0.5% | | |
| State of Hawaii Harbor System, RB, Series A, 5.25%, 7/01/30 | 2,660 | 2,893,495 |
| Illinois — 13.7% | | |
| City of Chicago Illinois, GARB, O'Hare International Airport, 3rd Lien, Series C, 6.50%, 1/01/41 | 11,385 | 12,971,500 |
| City of Chicago Illinois, GO, Project, Series A: | | |
| 5.00%, 1/01/33 | 4,435 | 4,443,426 |
| 5.00%, 1/01/34 | 4,430 | 4,429,823 |
| City of Chicago Illinois, Refunding RB, Sales Tax, Series A, 5.25%, 1/01/38 | 1,605 | 1,664,883 |
| City of Chicago Illinois Transit Authority, RB, Sales Tax Receipts, 5.25%, 12/01/40 | 2,055 | 2,115,992 |
| City of Chicago Illinois Waterworks Revenue, Refunding RB, 2nd Lien Project, 5.00%, 11/01/42 | 7,625 | 7,667,395 |
| County of Cook Illinois Community College District No. 508, GO, City College of Chicago, 5.50%, 12/01/38 | 1,525 | 1,637,484 |
| Illinois Finance Authority, RB, Advocate Health Care, Series C, 5.38%, 4/01/44 | 10,630 | 10,994,396 |
| Illinois Finance Authority, Refunding RB: | | |
| Ascension Health, Series A, 5.00%, 11/15/37 | 1,895 | 1,944,024 |
| Ascension Health, Series A, 5.00%, 11/15/42 | 3,450 | 3,514,377 |
| Central Dupage Health, Series B, 5.50%, 11/01/39 | 3,160 | 3,401,519 |
| Friendship Village Schaumburg, Series A, 5.63%, 2/15/37 | 470 | 420,951 |
| Illinois State Toll Highway Authority, RB, Series A, 5.00%, 1/01/38 | 4,550 | 4,681,722 |
| | | |
| Municipal Bonds | Par (000) | Value |
| Illinois (concluded) | | |
| Metropolitan Pier & Exposition Authority, Refunding RB, McCormick Place Expansion Project: | | |
| Series B (AGM), 5.00%, 6/15/50 | \$6,030 | \$6,031,146 |
| Series B-2, 5.00%, 6/15/50 | 3,905 | 3,827,798 |
| Railsplitter Tobacco Settlement Authority, RB: | | |
| 5.50%, 6/01/23 | 885 | 990,430 |
| 6.00%, 6/01/28 | 2,245 | 2,490,154 |
| State of Illinois, GO, Series A, 5.00%, 4/01/38 | 9,030 | 9,068,919 |
| State of Illinois, RB, Build Illinois, Series B, 5.25%, 6/15/34 | 1,240 | 1,295,912 |
| | | 83,591,851 |
| Indiana — 5.2% | | |
| Carmel Redevelopment Authority, Refunding RB, Multipurpose, Series A: | | |
| 4.00%, 8/01/35 | 735 | 713,310 |
| 4.00%, 2/01/38 | 3,555 | 3,360,648 |
| City of Valparaiso Indiana, RB, Exempt Facilities, Pratt Paper LLC Project, AMT: | | |

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| 6.75%, 1/01/34 | 1,525 | 1,582,904 |
| 7.00%, 1/01/44 | 3,680 | 3,845,490 |
| City of Vincennes Indiana, Refunding RB, Southwest Indiana Regional Youth Village, 6.25%, 1/01/24 | 1,695 | 995,999 |
| Indiana Finance Authority, RB, Series A: | | |
| CWA Authority Project, 1st Lien, 5.25%, 10/01/38 | 6,305 | 6,717,725 |
| Private Activity Bond, Ohio River Bridges East End Crossing Project, AMT, 5.00%, 7/01/44 | 880 | 828,916 |
| Private Activity Bond, Ohio River Bridges East End Crossing Project, AMT, 5.00%, 7/01/48 | 2,905 | 2,706,937 |
| Sisters of St. Francis Health Services, 5.25%, 11/01/39 | 1,655 | 1,712,064 |
| Indiana Finance Authority, Refunding RB, Community Health Network Project, Series A, 5.00%, 5/01/42 | 3,670 | 3,631,355 |
| Indiana Municipal Power Agency, RB, Series B, 6.00%, 1/01/39 | 2,150 | 2,368,333 |
| BLACKROCK MUNICIPAL INCOME TRUST JANUARY 31, 20143 | | |

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Schedule of Investments (continued) **BlackRock Municipal Income Trust (BFK)**
(Percentages shown are based on Net Assets)

| Municipal Bonds | Par (000) | Value |
|--|--------------|------------|
| Indiana (concluded) | | |
| Indianapolis Local Public Improvement Bond Bank, RB, Series A: | | |
| 5.00%, 1/15/36 | \$780 | \$828,555 |
| 5.00%, 1/15/40 | 2,490 | 2,618,385 |
| | | 31,910,621 |
| Iowa — 2.2% | | |
| Iowa Finance Authority, RB, Midwestern Disaster Area, Alcoa, Inc. Project, 4.75%, 8/01/42 | 2,265 | 1,949,372 |
| Iowa Finance Authority, Refunding RB, Midwestern Disaster Area, Iowa Fertilizer Co. Project: | | |
| 5.00%, 12/01/19 | 1,880 | 1,857,440 |
| 5.50%, 12/01/22 | 4,595 | 4,429,672 |
| 5.25%, 12/01/25 | 2,125 | 1,972,446 |
| Iowa Student Loan Liquidity Corp., Refunding RB, Student Loan, Senior Series A-1, AMT, 5.15%, 12/01/22 | 3,165 | 3,327,080 |
| | | 13,536,010 |
| Kentucky — 0.5% | | |
| Kentucky Economic Development Finance Authority, RB, Catholic Health Initiatives, Series A, 5.25%, 1/01/45 | 1,915 | 1,957,321 |
| Kentucky Public Transportation Infrastructure Authority, RB, Downtown Crossing Project, Convertible CAB, 1st Tier, Series C, 0.00%, 7/01/43 (a) | 2,325 | 1,308,464 |
| | | 3,265,785 |
| Louisiana — 2.7% | | |
| Louisiana Local Government Environmental Facilities & Community Development Authority, RB, Westlake Chemical Corp. Project, Series A-1, 6.50%, 11/01/35 | 6,535 | 7,097,925 |
| Tobacco Settlement Financing Corp., Refunding RB, Asset-Backed, Series A: | | |
| 5.50%, 5/15/30 | 1,980 | 2,023,599 |
| 5.25%, 5/15/31 | 1,690 | 1,696,456 |
| 5.25%, 5/15/32 | 2,160 | 2,163,413 |
| 5.25%, 5/15/33 | 2,345 | 2,343,405 |
| 5.25%, 5/15/35 | 985 | 980,548 |
| | | 16,305,346 |
| Municipal Bonds | | |
| Maryland — 1.3% | | |
| Maryland EDC, RB, Transportation Facilities Project, Series A, 5.75%, 6/01/35 | \$855 | \$872,776 |
| Maryland EDC, Refunding RB, CNX Marine Terminals, Inc., 5.75%, 9/01/25 | 2,235 | 2,343,263 |
| Maryland Health & Higher Educational Facilities Authority, Refunding RB, Charlestown Community Project, 6.25%, 1/01/41 | 4,295 | 4,561,634 |
| Montgomery County Housing Opportunities Commission, RB, Series D, AMT, 5.50%, 1/01/38 | 415 | 421,204 |
| | | 8,198,877 |
| Massachusetts — 1.1% | | |
| | 3,535 | 3,642,994 |

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| Massachusetts Health & Educational Facilities Authority, Refunding RB, Partners Healthcare System, Series J1, 5.00%, 7/01/39 | | |
| Massachusetts School Building Authority, RB, Dedicated Sales Tax, Senior Series A, 5.00%, 5/15/43 | 2,780 | 2,971,487 |
| | | 6,614,481 |
| Michigan — 3.4% | | |
| City of Detroit Michigan Sewage Disposal System, Refunding RB, Senior Lien, Series A: 5.00%, 7/01/32 | 3,065 | 2,799,295 |
| 5.25%, 7/01/39 | 8,665 | 7,996,149 |
| City of Lansing Michigan, RB, Board of Water & Light Utilities System, Series A, 5.50%, 7/01/41 | 2,870 | 3,126,521 |
| Kalamazoo Hospital Finance Authority, Refunding RB, Bronson Methodist Hospital, 5.50%, 5/15/36 | 2,700 | 2,793,933 |
| Michigan State Hospital Finance Authority, Refunding RB, Henry Ford Health System, Series A, 5.25%, 11/15/46 | 4,230 | 4,156,736 |
| | | 20,872,634 |
| BLACKROCK MUNICIPAL INCOME TRUST JANUARY 31, 20144 | | |

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Schedule of Investments (continued) **BlackRock Municipal Income Trust (BFK)**
(Percentages shown are based on Net Assets)

| Municipal Bonds | Par (000) | Value |
|--|--------------|---------------|
| Mississippi — 2.3% | | |
| City of Gulfport Mississippi, RB, Memorial Hospital at Gulfport Project, Series A, 5.75%, 7/01/31 | \$ 14,025 | \$ 14,035,378 |
| Missouri — 0.5% | | |
| Bi-State Development Agency of the Missouri-Illinois Metropolitan District, Refunding RB, Combined Lien, Series A, 5.00%, 10/01/44 | 495 | 520,186 |
| Missouri State Health & Educational Facilities Authority, RB, Senior Living Facilities, Lutheran Senior Services, 5.50%, 2/01/42 | 2,035 | 2,064,039 |
| Missouri State Health & Educational Facilities Authority, Refunding RB, St. Louis College of Pharmacy Project, 5.50%, 5/01/43 | 480 | 494,693 |
| | | 3,078,918 |
| Multi-State—2.7% | | |
| Centerline Equity Issuer Trust, 6.80%, 11/15/14 (b)(g) | 16,000 | 16,654,080 |
| Nebraska — 1.4% | | |
| Central Plains Energy Project Nebraska, RB, Gas Project No. 3, 5.00%, 9/01/42 | 2,815 | 2,818,772 |
| Central Plains Nebraska Energy Project, RB, Gas Project No. 3, 5.25%, 9/01/37 | 1,610 | 1,646,756 |
| County of Douglas Nebraska Hospital Authority No. 2, Refunding RB, Health Facilities, Immanuel Obligation Group, 5.63%, 1/01/40 | 3,280 | 3,433,275 |
| County of Lancaster Nebraska Hospital Authority No. 1, Refunding RB, Immanuel Obligation Group, Health Facilities, 5.63%, 1/01/40 | 600 | 628,038 |
| | | 8,526,841 |
| Nevada — 0.8% | | |
| County of Clark Nevada, Refunding RB, Alexander Dawson School Nevada Project, 5.00%, 5/15/29 | 4,550 | 4,794,062 |
| | | |
| Municipal Bonds | Par (000) | Value |
| New Jersey — 9.8% | | |
| County of Middlesex New Jersey Improvement Authority, RB, Heldrich Center Hotel, Sub-Series B, 6.25%, 1/01/37 (e)(f) | \$ 3,680 | \$ 255,686 |
| New Jersey EDA, RB: | | |
| Continental Airlines, Inc. Project, AMT, 5.25%, 9/15/29 | 3,830 | 3,686,375 |
| Continental Airlines, Inc. Project, AMT, 7.00%, 11/15/30 (h) | 15,410 | 15,410,000 |
| The Goethals Bridge Replacement Project, AMT, 5.38%, 1/01/43 | 2,285 | 2,299,738 |
| New Jersey EDA, Refunding RB, Special Assessment, Kapkowski Road Landfill Project, 6.50%, 4/01/28 | 8,000 | 9,007,040 |
| New Jersey State Turnpike Authority, RB, Series A: | | |
| 5.00%, 1/01/38 | 2,535 | 2,657,289 |
| 5.00%, 1/01/43 | 8,150 | 8,461,493 |
| New Jersey Transportation Trust Fund Authority, RB: | | |
| Transportation Program, Series A, 5.50%, 6/15/41 | 8,000 | 8,507,040 |
| Transportation System, Series B, 5.25%, 6/15/36 | 4,810 | 5,114,569 |
| Rutgers - The State University of New Jersey, Refunding RB, Series L: | | |
| 5.00%, 5/01/38 | 985 | 1,064,431 |

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| 5.00%, 5/01/43 | 1,030 | 1,100,699 |
| Tobacco Settlement Financing Corp. New Jersey, Refunding RB, Series 1A, 4.50%, 6/01/23 | 2,165 | 2,031,030 |
| | | 59,595,390 |
| New York — 8.2% | | |
| Albany Industrial Development Agency, RB, New Covenant Charter School Project, Series A, 7.00%, 5/01/35 (e)(f) | 1,820 | 273,073 |
| City of New York New York Industrial Development Agency, ARB, American Airlines, Inc., JFK International Airport, AMT (h): | | |
| 8.00%, 8/01/28 | 5,000 | 5,486,550 |
| 7.75%, 8/01/31 | 22,140 | 24,294,443 |
| BLACKROCK MUNICIPAL INCOME TRUST JANUARY 31, 20145 | | |

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Schedule of Investments (continued) **BlackRock Municipal Income Trust (BFK)**
(Percentages shown are based on Net Assets)

| Municipal Bonds | Par (000) | Value |
|---|--------------|-------------|
| New York (concluded) | | |
| City of New York New York Transitional Finance Authority, Future Tax Secured Bonds, RB, Fiscal 2012, Sub-Series E-1, 5.00%, 2/01/42 | \$4,805 | \$5,060,578 |
| New York Liberty Development Corp., Refunding RB, Liberty, 2nd Priority, Bank of America Tower at One Bryant Park Project, Class 3, 6.38%, 7/15/49 | 2,400 | 2,566,824 |
| New York State Dormitory Authority, RB, Series F, 5.00%, 3/15/35 | 4,775 | 4,935,345 |
| Port Authority of New York & New Jersey, ARB, Special Project, JFK International Air Terminal LLC Project, Series 8: 6.00%, 12/01/36 | 2,525 | 2,737,782 |
| 6.00%, 12/01/42 | 1,960 | 2,121,582 |
| Utility Debt Securitization Authority, Refunding RB, Restructuring, Series TE, 5.00%, 12/15/41 | 2,060 | 2,219,588 |
| | | 49,695,765 |
| North Carolina — 4.2% | | |
| County of Gaston Industrial Facilities & Pollution Control Financing Authority, RB, Exempt Facilities, National Gypsum Co. Project, AMT, 5.75%, 8/01/35 | 12,130 | 10,827,117 |
| North Carolina Capital Facilities Finance Agency, Refunding RB, Duke University Project, Series B, 5.00%, 10/01/38 | 10,000 | 10,912,800 |
| North Carolina Medical Care Commission, RB, Health Care Facilities, Duke University Health System, Series A, 5.00%, 6/01/42 | 2,750 | 2,927,568 |
| North Carolina Medical Care Commission, Refunding RB, Retirement Facilities, 1st Mortgage, Whitestone Project, Series A, 7.75%, 3/01/41 | 1,130 | 1,198,568 |
| | | 25,866,053 |
| Ohio — 3.1% | | |
| County of Allen Ohio Hospital Facilities, Refunding RB, Catholic Healthcare Partners, Series A, 5.25%, 6/01/38 | 6,125 | 6,402,769 |
| | | |
| Municipal Bonds | | |
| | Par (000) | Value |
| Ohio (concluded) | | |
| County of Franklin Ohio, RB, Health Care Facilities Improvement, OPRS Communities, Series A, 6.13%, 7/01/40 | \$1,280 | \$1,290,163 |
| County of Hamilton Ohio, RB, Christ Hospital Project, 5.00%, 6/01/42 | 2,300 | 2,282,612 |
| County of Montgomery Ohio, Refunding RB, Catholic Health, Series A, 5.00%, 5/01/39 | 5,450 | 5,487,060 |
| Pinnacle Community Infrastructure Financing Authority, RB, Facilities, Series A, 6.25%, 12/01/36 | 3,760 | 3,687,958 |
| | | 19,150,562 |
| Pennsylvania — 0.6% | | |
| Pennsylvania Economic Development Financing Authority, RB, Aqua Pennsylvania, Inc. Project, Series B, 5.00%, 11/15/40 | 3,725 | 3,826,394 |
| South Carolina — 1.1% | | |
| South Carolina State Ports Authority, RB, 5.25%, 7/01/40 | 6,455 | 6,769,617 |
| Tennessee — 0.5% | | |
| | 2,660 | 2,718,786 |

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| City of Chattanooga Tennessee Health Educational & Housing Facility Board, RB, Catholic Health Initiatives, Series A, 5.25%, 1/01/45 | | |
| Texas — 16.1% | | |
| Brazos River Authority, RB, TXU Electric, Series A, AMT, 8.25%, 10/01/30 (e)(f) | 4,370 | 136,562 |
| Central Texas Regional Mobility Authority, Refunding RB: | | |
| Senior Lien, 6.25%, 1/01/46 | 4,210 | 4,405,386 |
| Sub-Lien, 5.00%, 1/01/33 | 700 | 656,628 |
| Sub-Lien, 5.00%, 1/01/42 | 620 | 556,506 |
| City of Dallas Texas Waterworks & Sewer System, Refunding RB, 5.00%, 10/01/35 | 2,970 | 3,225,806 |
| City of Houston Texas Airport System, Refunding ARB, Senior Lien, Series A, 5.50%, 7/01/39 | 3,000 | 3,309,990 |
| City of Houston Texas Utility System, Refunding RB, Combined 1st Lien, Series A (AGC), 6.00%, 11/15/35 | 16,425 | 18,777,060 |
| BLACKROCK MUNICIPAL INCOME TRUST JANUARY 31, 2014 | | |

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Schedule of Investments (continued) **BlackRock Municipal Income Trust (BFK)**
(Percentages shown are based on Net Assets)

| Municipal Bonds | Par (000) | Value |
|---|--------------|-------------|
| Texas (continued) | | |
| County of Harris Texas Cultural Education Facilities Finance Corp., RB, 1st Mortgage Brazos Presbyterian Homes Inc., Series B: 7.00%, 1/01/43 | \$380 | \$387,019 |
| 7.00%, 1/01/48 | 500 | 505,235 |
| County of Harris Texas-Houston Sports Authority, Refunding RB (NPFGC) (c): | | |
| CAB, Junior Lien, Series H, 0.00%, 11/15/35 | 5,000 | 1,168,350 |
| CAB, Senior Lien, Series A, 0.00%, 11/15/38 | 12,580 | 2,639,158 |
| Third Lien, Series A-3, 0.00%, 11/15/37 | 26,120 | 5,219,560 |
| County of Matagorda Texas Navigation District No. 1, Refunding RB, AEP Texas Central Co. Project, Series 1, 4.00%, 6/01/30 | 2,120 | 1,927,144 |
| County of Midland Texas Fresh Water Supply District No. 1, RB, CAB, City of Midland Project, Series A (c): | | |
| 0.00%, 9/15/40 | 9,780 | 2,610,673 |
| 0.00%, 9/15/41 | 5,420 | 1,333,374 |
| County of Tarrant Texas Cultural Education Facilities Finance Corp., RB, Scott & White Healthcare, 6.00%, 8/15/45 | 7,930 | 9,098,327 |
| Dallas-Fort Worth International Airport, Refunding ARB, Joint Improvement, Series E, AMT, 5.00%, 11/01/35 | 3,535 | 3,560,912 |
| Fort Bend County Industrial Development Corp., RB, NRG Energy Project, Series B, 4.75%, 11/01/42 | 2,045 | 1,816,492 |
| North Texas Tollway Authority, Refunding RB, 2nd Tier System, Series F, 6.13%, 1/01/31 | 12,180 | 12,953,795 |
| San Antonio Energy Acquisition Public Facility Corp., RB, Gas Supply, 5.50%, 8/01/25 | 6,540 | 7,290,203 |
| Texas Municipal Gas Acquisition & Supply Corp. III, RB, 5.00%, 12/15/32 | 2,835 | 2,842,881 |
| | | |
| Municipal Bonds | Par (000) | Value |
| Texas (concluded) | | |
| Texas Private Activity Bond Surface Transportation Corp., RB, Senior Lien: LBJ Infrastructure Group LLC, LBJ Freeway Managed Lanes Project, 7.00%, 6/30/40 | \$6,000 | \$6,628,920 |
| NTE Mobility Partners LLC, North Tarrant Express Managed Lanes Project, 6.88%, 12/31/39 | 6,500 | 7,094,685 |
| | | 98,144,666 |
| Utah — 1.3% | | |
| County of Utah Utah, RB, IHC Health Services, Inc., 5.00%, 5/15/43 | 3,940 | 4,095,748 |
| Utah State Charter School Finance Authority, RB, Ogden Preparatory Academy, Series A: | | |
| 3.25%, 10/15/36 | 1,940 | 1,491,492 |
| 3.25%, 10/15/42 | 3,010 | 2,192,875 |
| | | 7,780,115 |
| Virginia — 1.5% | | |
| Virginia Small Business Financing Authority, RB, Senior Lien, Elizabeth River Crossings LLC Project, AMT: | | |
| 5.25%, 1/01/32 | 3,155 | 3,154,842 |
| 6.00%, 1/01/37 | 5,695 | 5,950,763 |

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| | | |
|--|-------|-------------|
| Washington — 0.8% | | 9,105,605 |
| Washington Health Care Facilities Authority, RB, Catholic Health Initiatives, Series A, 5.75%, 1/01/45 | 4,420 | 4,708,272 |
| Wisconsin — 0.3% | | |
| Wisconsin State Health & Educational Facilities Authority, RB, Ascension Health Senior Credit Group, Series E, 5.00%, 11/15/33 | 1,640 | 1,728,232 |
| Total Municipal Bonds — 125.9% | | 766,959,910 |
| BLACKROCK MUNICIPAL INCOME TRUST JANUARY 31, 2014 | | |

Schedule of Investments (continued) **BlackRock Municipal Income Trust (BFK)**
(Percentages shown are based on Net Assets)

| Municipal Bonds Transferred to Tender Option Bond (TOB) Trusts (i) | Par (000) | Value |
|---|--------------|-------------|
| Alabama — 0.8% | | |
| City of Birmingham Alabama Special Care Facilities Financing Authority, Refunding RB, Ascension Health, Senior Credit, Series C-2, 5.00%, 11/15/36 | \$4,548 | \$4,605,671 |
| California — 5.5% | | |
| California Educational Facilities Authority, RB, University of Southern California, Series B, 5.25%, 10/01/39 (j) | 5,115 | 5,596,168 |
| City & County of San Francisco California Public Utilities Commission, RB, Water Revenue, Series B, 5.00%, 11/01/39 | 18,540 | 19,738,240 |
| Los Angeles Community College District California, GO, Election of 2001, Series A (AGM), 5.00%, 8/01/32 | 4,500 | 4,821,570 |
| San Diego Community College District California, GO, Election of 2002, 5.25%, 8/01/33 | 3,260 | 3,660,049 |
| | | 33,816,027 |
| Colorado — 2.1% | | |
| Colorado Health Facilities Authority, RB, Catholic Health (AGM): | | |
| Series C-3, 5.10%, 10/01/41 | 7,600 | 7,721,068 |
| Series C-7, 5.00%, 9/01/36 | 4,860 | 4,939,558 |
| | | 12,660,626 |
| Connecticut — 3.3% | | |
| Connecticut State Health & Educational Facility Authority, RB, Yale University: | | |
| Series T-1, 4.70%, 7/01/29 | 9,397 | 10,083,455 |
| Series X-3, 4.85%, 7/01/37 | 9,366 | 10,000,685 |
| | | 20,084,140 |
| Florida — 1.1% | | |
| County of Miami-Dade Florida, RB, Water & Sewer System, 5.00%, 10/01/34 | 6,629 | 7,001,353 |
| Massachusetts — 2.0% | | |
| Massachusetts School Building Authority, RB, Senior Dedicated Sales Tax, Series B, 5.00%, 10/15/41 | 4,427 | 4,702,158 |
| | | |
| Municipal Bonds Transferred to Tender Option Bond (TOB) Trusts (i) | Par (000) | Value |
| Massachusetts (concluded) | | |
| Massachusetts Water Resources Authority, Refunding RB, General, Series A, 5.00%, 8/01/41 | \$6,770 | \$7,203,416 |
| | | 11,905,574 |
| New Hampshire — 0.7% | | |
| New Hampshire Health & Education Facilities Authority, RB, Dartmouth College, 5.25%, 6/01/39 (j) | 3,988 | 4,428,900 |
| New York — 9.9% | | |
| City of New York New York Municipal Water Finance Authority, Refunding RB, Water & Sewer System 2nd General Resolution: | | |
| Series FF-2, 5.50%, 6/15/40 | 3,075 | 3,310,770 |
| Series HH, 5.00%, 6/15/31 (j) | 16,393 | 17,811,391 |
| Hudson Yards Infrastructure Corp., RB, Fiscal 2012, Series A, 5.75%, 2/15/47 (j) | 3,130 | 3,381,971 |
| New York Liberty Development Corp., RB, 1 World Trade Center Port Authority Consolidated Bonds, 5.25%, 12/15/43 | 20,865 | 22,190,136 |

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| | | |
|--|--------|------------|
| New York Liberty Development Corp., Refunding RB, 4 World Trade Center Project, 5.75%, 11/15/51 (j) | 12,610 | 13,600,642 |
| | | 60,294,910 |
| Texas — 3.1% | | |
| City of San Antonio Texas, RB, Electric & Gas Systems, Junior Lien, 5.00%, 2/01/43 | 4,900 | 5,138,826 |
| County of Harris Texas Metropolitan Transit Authority, Refunding RB, Series A, 5.00%, 11/01/41 | 6,650 | 7,052,591 |
| University of Texas System, Refunding RB, Financing System, Series B, 5.00%, 8/15/43 | 6,001 | 6,427,128 |
| | | 18,618,545 |
| Utah — 1.2% | | |
| City of Riverton Utah, RB, IHC Health Services, Inc., 5.00%, 8/15/41 | 7,150 | 7,380,542 |
| BLACKROCK MUNICIPAL INCOME TRUST JANUARY 31, 20148 | | |

Schedule of Investments (continued) **BlackRock Municipal Income Trust (BFK)**
(Percentages shown are based on Net Assets)

| Municipal Bonds Transferred to Tender | Par (000) | Value |
|---|--------------|---------------|
| Option Bond (TOB) Trusts (i) | | |
| Virginia — 1.9% | | |
| University of Virginia, Refunding RB, General, 5.00%, 6/01/40 | \$ 10,767 | \$ 11,732,960 |
| Washington — 3.6% | | |
| Central Puget Sound Regional Transit Authority, RB, Series A (AGM), 5.00%, 11/01/32 | 5,459 | 5,837,716 |
| State of Washington, GO, Various Purposes, Series E, 5.00%, 2/01/34 | 14,487 | 15,944,651 |
| | | 21,782,367 |
| Total Municipal Bonds Transferred to Tender | | 214,311,615 |
| Option Bond (TOB) Trusts — 35.2% | | |
| Total Long-Term Investments | | 981,271,525 |
| (Cost — \$961,498,985) — 161.1% | | |

| Short-Term Securities | Shares | Value |
|---|------------|----------------|
| FFI Institutional Tax-Exempt Fund, 0.03% (k)(l) | 12,600,015 | \$ 12,600,015 |
| Total Short-Term Securities | | 12,600,015 |
| (Cost — \$12,600,015) — 2.0% | | |
| Total Investments | | 993,871,540 |
| (Cost — \$974,099,000) — 163.1% | | |
| Other Assets Less Liabilities — 2.0% | | 12,269,925 |
| Liability for TOB Trust Certificates, Including Interest Expense and Fees Payable — (20.7%) | | (126,096,745) |
| VMTP Shares, at Liquidation Value — (44.4%) | | (270,800,000) |
| Net Assets Applicable to Common Shares — 100.0% | | \$ 609,244,720 |
| * As of January 31, 2014, gross unrealized appreciation and depreciation based on cost for federal income tax purposes were as follows: | | |
| Tax cost | | \$ 850,532,246 |
| Gross unrealized appreciation | | \$ 44,658,327 |
| Gross unrealized depreciation | | (27,391,959) |
| Net unrealized appreciation | | \$ 17,266,368 |

Notes to Schedule of Investments

- (a) Represents a step-up bond that pays an initial coupon rate for the first period and then a higher coupon rate for the following periods. Rate shown is as of report date.
- (b) Security exempt from registration pursuant to Rule 144A under the Securities Act of 1933, as amended. These securities may be resold in transactions exempt from registration to qualified institutional investors.
- (c) Zero-coupon bond.
- (d) US government securities, held in escrow, are used to pay interest on this security, as well as to retire the bond in full at the date indicated, typically at a premium to par.
- (e) Issuer filed for bankruptcy and/or is in default of principal and/or interest payments.
- (f) Non-income producing security.
- (g)

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Represents a beneficial interest in a trust. The collateral deposited into the trust is federally tax-exempt revenue bonds issued by various state or local governments, or their respective agencies or authorities. The security is subject to remarketing prior to its stated maturity.

(h) Variable rate security. Rate shown is as of report date.

(i) Represent bonds transferred to a TOB. In exchange the Trust acquired residual interest certificates. These bonds serve as collateral in a financing transaction.

All or a portion of security is subject to a recourse agreement, which may require the Trust to pay the liquidity provider in the event there is a shortfall between the TOB trust certificates and proceeds received from the sale of

(j) the security contributed to the TOB trust. In the case of a shortfall, the aggregate maximum potential amount the Trust could ultimately be required to pay under the agreements, which expire from October 1, 2016 to November 15, 2019 is \$25,997,599.

(k) Investments in issuers considered to be an affiliate of the Trust during the period ended January 31, 2014, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

| Affiliate | Shares Held at April 30, 2013 | Net Activity | Shares Held at January 31, 2014 | Income |
|-----------------------------------|--|-----------------|---------------------------------------|---------|
| FFI Institutional Tax-Exempt Fund | 2,673,310 | 9,926,705 | 12,600,015 | \$3,079 |

(l) Represents the current yield as of report date.

BLACKROCK MUNICIPAL INCOME TRUST JANUARY 31, 2014 9

Schedule of Investments (continued) **BlackRock Municipal Income Trust (BFK)****Portfolio Abbreviations**

To simplify the listings of portfolio holdings in the Schedule of Investments, the names and descriptions of many of the securities have been abbreviated according to the following list:

| | |
|-------|---|
| AGC | Assured Guarantee Corp. |
| AGM | Assured Guaranty Municipal Corp. |
| AMT | Alternative Minimum Tax (subject to) |
| ARB | Airport Revenue Bonds |
| CAB | Capital Appreciation Bonds |
| EDA | Economic Development Authority |
| EDC | Economic Development Corp. |
| GARB | General Airport Revenue Bonds |
| GO | General Obligation Bonds |
| NPFGC | National Public Finance Guarantee Corp. |
| RB | Revenue Bonds |

Financial futures contracts outstanding as of January 31, 2014 were as follows:

| Contracts Sold | Issue | Exchange | Expiration | Notional Value | Unrealized Depreciation |
|----------------|--------------------------|------------------------|------------|----------------|-------------------------|
| (564) | 10-Year US Treasury Note | Chicago Board of Trade | March 2014 | \$70,923,000 | \$ (746,533) |

Fair Value Measurements – Various inputs are used in determining the fair value of investments and derivative financial instruments. These inputs to valuation techniques are categorized into a disclosure hierarchy consisting of three broad levels for financial reporting purposes as follows:

Level 1 – unadjusted price quotations in active markets/exchanges for identical assets or liabilities that the Trust has the ability to access

Level 2 – other observable inputs (including, but not limited to, quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates) or other market-corroborated inputs)

Level 3 – unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available (including the Trust's own assumptions used in determining the fair value of investments and derivative financial instruments)

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3. The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the fair value hierarchy classification is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

Changes in valuation techniques may result in transfers into or out of an assigned level within the disclosure hierarchy. In accordance with the Trust's policy, transfers between different levels of the fair value disclosure hierarchy are deemed to have occurred as of the beginning of the reporting period. The categorization of a value determined for investments and derivative financial instruments is based on the pricing transparency of the investment and derivative financial instrument and is not necessarily an indication of the risks associated with investing in those securities. For information about the Trust's policy regarding valuation of investments and derivative financial instruments, please refer to the Trust's most recent financial statements as contained in its semi-annual report.

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Schedule of Investments (concluded) **BlackRock Municipal Income Trust (BFK)**

The following tables summarize the Trust's investments and derivative financial instruments categorized in the disclosure hierarchy as of January 31, 2014:

| | Level 1 | Level 2 | Level 3 | Total |
|------------------------------------|--------------|---------------|---------|---------------|
| Assets: | | | | |
| Investments: | | | | |
| Long-Term Investments ¹ | — | \$981,271,525 | — | \$981,271,525 |
| Short-Term Securities | \$12,600,015 | — | — | 12,600,015 |
| Total | \$12,600,015 | \$981,271,525 | — | \$993,871,540 |

| | Level 1 | Level 2 | Level 3 | Total |
|---|-------------|---------|---------|-------------|
| Derivative Financial Instruments ² | | | | |
| Liabilities: | | | | |
| Interest rate contracts | \$(746,533) | — | — | \$(746,533) |

¹ See above Schedule of Investments for values in each state or political subdivision.

² Derivative financial instruments are financial futures contracts, which are valued at the unrealized appreciation/depreciation on the instrument.

Certain of the Trust's assets and/or liabilities are held at carrying amount, which approximates fair value for financial reporting purposes. As of January 31, 2014, such assets and/or liabilities are categorized within the disclosure hierarchy as follows:

| | Level 1 | Level 2 | Level 3 | Total |
|--|-----------|-----------------|---------|-----------------|
| Assets: | | | | |
| Cash pledged for financial futures contracts | \$903,300 | — | — | \$903,300 |
| Liabilities: | | | | |
| TOB trust certificates | — | \$(126,072,926) | — | (126,072,926) |
| VRDP Shares | — | (270,800,000) | — | (270,800,000) |
| Total | \$903,300 | \$(396,872,926) | — | \$(395,969,626) |

There were no transfers between levels during the period ended January 31, 2014.

Item 2 – Controls and Procedures

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

2(a) – 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/ John M. Perlowski

John M. Perlowski
Chief Executive Officer (principal executive officer) of
BlackRock Municipal Income Trust

Date: March 25, 2014

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/ John M. Perlowski

John M. Perlowski
Chief Executive Officer (principal executive officer) of
BlackRock Municipal Income Trust

Date: March 25, 2014

By: /s/ Neal J. Andrews

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

Date: March 25, 2014