

BLACKROCK MUNICIPAL INCOME TRUST

Form N-Q

September 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 52<sup>nd</sup> Street, New York, NY 10055

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

Date of fiscal year end: 04/30/2015

Date of reporting period: 07/31/2014

Item 1 – Schedule of Investments



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Poseidon Resources (Channel Side) LP Desalination Project, AMT, 5.00%, 11/21/45	2,970	3,044,191
California Statewide Communities Development Authority, Refunding RB, Episcopal Communities & Services, 5.00%, 5/15/42	650	671,976
City of Los Angeles California Department of Airports, Refunding ARB, Los Angeles International Airport, Series A: 5.25%, 5/15/39	1,560	1,771,723
Senior, 5.00%, 5/15/40	11,690	12,802,654
City of Stockton California Public Financing Authority, RB, Delta Water Supply Project, Series A, 6.25%, 10/01/40	690	784,834
County of Stanislaus California Tobacco Securitization Agency, RB, CAB, Sub-Series C, 0.00%, 6/01/55 (c)	17,855	226,223
Foothill-De Anza Community College District, GO, Election of 2006, Series C, 5.00%, 8/01/40	7,000	7,710,780
Murrieta Community Facilities District Special Tax California, Special Tax Bonds, District No. 2, The Oaks Improvement Area A, 6.00%, 9/01/34	4,890	4,896,357
Riverside County Transportation Commission, RB, CAB, Senior Lien, Series B (c): 0.00%, 6/01/41	5,000	1,113,200
0.00%, 6/01/42	6,000	1,256,820
0.00%, 6/01/43	5,000	987,450
San Diego Community College District California, GO, Election of 2006, 5.00%, 8/01/43	2,115	2,363,322
San Marcos Unified School District, GO, CAB, Election of 2010, Series B (c): 0.00%, 8/01/34	3,500	1,428,840
0.00%, 8/01/36	4,000	1,467,560

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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
California (concluded)		
State of California, GO, Various Purposes:		
6.00%, 3/01/33	\$4,970	\$5,962,857
6.50%, 4/01/33	20,410	24,827,744
State of California Public Works Board, LRB, Various Capital Project:		
Sub-Series I-1, 6.38%, 11/01/34	2,315	2,791,612
Series I, 5.00%, 11/01/38	1,495	1,639,851
		96,851,275
Colorado — 1.7%		
Colorado Health Facilities Authority, Refunding RB:		
Catholic Health Initiative, Series A, 5.50%, 7/01/34	4,205	4,789,369
Evangelical Lutheran Good Samaritan Society Project, 5.00%, 12/01/42	3,425	3,548,232
Park Creek Metropolitan District, Refunding RB, Senior Limited Property Tax, 5.50%, 12/01/37	2,530	2,560,461
		10,898,062
Connecticut — 0.4%		
Connecticut State Health & Educational Facility Authority, RB, Ascension Health Senior Credit, Series A, 5.00%, 11/15/40		
	2,710	2,920,865
Delaware — 2.0%		
County of Sussex Delaware, RB, NRG Energy, Inc., Indian River Power LLC Project, 6.00%, 10/01/40		
	2,225	2,449,569
Delaware State EDA, RB, Exempt Facilities, Indian River Power LLC Project, 5.38%, 10/01/45		
	10,080	10,605,168
		13,054,737
District of Columbia — 4.4%		
District of Columbia, Refunding RB, Kipp Charter School, Series A, 6.00%, 7/01/43		
	1,480	1,664,660
District of Columbia Tobacco Settlement Financing Corp., Refunding RB, Asset-Backed, 6.75%, 5/15/40		
	23,035	23,033,848

Municipal Bonds	Par (000)	Value
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District of Columbia (concluded)

Metropolitan  
Washington  
Airports  
Authority,  
Refunding RB,  
Dulles Toll Road,  
1st Senior Lien,

Series A:

5.00%, 10/01/39 \$990 \$1,050,925

5.25%, 10/01/44 2,465 2,649,061

28,398,494

Florida — 3.4%

County of  
Miami-Dade  
Florida Aviation,  
Refunding ARB,  
Miami

2,280 2,540,923

International  
Airport, Series  
A-1, 5.38%,  
10/01/41

County of  
Orange Florida  
Health Facilities  
Authority,  
Refunding RB,  
Mayflower  
Retirement  
Center:

5.00%, 6/01/32 600 632,232

5.00%, 6/01/36 125 131,182

5.13%, 6/01/42 1,925 2,023,868

County of  
Tampa-Hillsborough  
Florida

Expressway  
Authority,  
Refunding RB,  
Series A, 5.00%,  
7/01/37

1,225 1,318,578

Miami Beach  
Health Facilities  
Authority, RB,

Mount Sinai 5,570 5,664,244

Medical Center  
Florida, 6.75%,  
11/15/21

5,885 7,053,938

Mid-Bay Bridge  
 Authority, RB,  
 Springing Lien,  
 Series A, 7.25%,  
 10/01/40  
 Stevens  
 Plantation  
 Community  
 Development  
 District, Special  
 Assessment,  
 Series A, 7.10%,  
 5/01/35 (d)(e)

3,590 2,677,566

22,042,531

Georgia — 1.8%  
 DeKalb Private  
 Hospital  
 Authority,  
 Refunding RB, 1,650 1,851,746  
 Children's  
 Healthcare,  
 5.25%, 11/15/39  
 Metropolitan  
 Atlanta Rapid  
 Transit  
 Authority, RB,  
 Sales Tax, 3rd  
 Indenture, Series  
 A, 5.00%,  
 7/01/39

1,650 1,851,746

5,000 5,572,750

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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	\$4,019,240
		11,443,736
Hawaii — 0.4%		
State of Hawaii Harbor System, RB, Series A, 5.25%, 7/01/30	2,660	2,947,200
Illinois — 17.6%		
City of Chicago Illinois, GARB, O’Hare International Airport, 3rd Lien, Series C, 6.50%, 1/01/41	11,385	13,621,014
City of Chicago Illinois, GO, Project, Series A, 5.00%, 1/01/34	6,270	6,370,696
City of Chicago Illinois, GO, Refunding, Project, Series A: 5.25%, 1/01/32	6,155	6,438,561
5.00%, 1/01/34	2,500	2,548,825
City of Chicago Illinois, Refunding RB, Sales Tax, Series A, 5.25%, 1/01/38	1,605	1,718,778
City of Chicago Illinois Board of Education, GO, Series A, 5.25%, 12/01/41	8,680	8,795,270
City of Chicago Illinois Transit Authority, RB, Sales Tax Receipts, 5.25%, 12/01/40	2,055	2,226,264
City of Chicago Illinois Waterworks, Refunding RB, 2nd Lien Project, 5.00%, 11/01/42	7,625	7,964,999
County of Cook Illinois Community College District No. 508, GO, City College of Chicago, 5.50%, 12/01/38	1,525	1,704,157
Illinois Finance Authority, RB, Advocate Health Care, Series C, 5.38%, 4/01/44	10,630	11,533,125
Illinois Finance Authority, Refunding RB:		
Ascension Health, Series A, 5.00%, 11/15/37	1,895	2,044,743
Central Dupage Health, Series B, 5.50%, 11/01/39	3,160	3,532,817
Friendship Village Schaumburg, Series A, 5.63%, 2/15/37	470	444,897
Illinois State Toll Highway Authority, RB, Series A, 5.00%, 1/01/38	4,550	4,946,851

Municipal Bonds	Par (000)	Value
Illinois (concluded)		

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Metropolitan Pier & Exposition Authority, Refunding RB, McCormick Place Expansion

Project:

Series B (AGM), 5.00%, 6/15/50	\$14,710	\$15,288,544
Series B-2, 5.00%, 6/15/50	3,905	4,057,646
Railsplitter Tobacco Settlement Authority, RB:		
5.50%, 6/01/23	885	1,029,521
6.00%, 6/01/28	2,245	2,613,000
State of Illinois, GO:		
5.00%, 2/01/39	2,990	3,012,485
Series A, 5.00%, 4/01/38	9,030	9,117,952
State of Illinois, RB, Build Illinois, Series B, 5.25%, 6/15/34	1,240	1,371,626
University of Illinois, RB, Auxiliary Facilities System, Series A:		
5.00%, 4/01/39	1,565	1,695,897
5.00%, 4/01/44	1,910	2,061,788
		114,139,456
Indiana — 4.2%		
Carmel Redevelopment Authority, Refunding RB, Multipurpose, Series A, 4.00%, 2/01/38	2,805	2,845,336
City of Valparaiso Indiana, RB, Exempt Facilities, Pratt Paper LLC Project, AMT:		
6.75%, 1/01/34	1,525	1,696,151
7.00%, 1/01/44	3,680	4,102,758
City of Vincennes Indiana, Refunding RB, Southwest Indiana Regional Youth Village, 6.25%, 1/01/24	1,695	1,038,832
Indiana Finance Authority, RB, Series A:		
CWA Authority Project, 1st Lien, 5.25%, 10/01/38	6,305	6,994,515
Private Activity Bond, Ohio River Bridges East End Crossing Project, AMT, 5.00%, 7/01/44	880	909,374
Private Activity Bond, Ohio River Bridges East End Crossing Project, AMT, 5.00%, 7/01/48	2,905	2,995,520
Sisters of St. Francis Health Services, 5.25%, 11/01/39	1,655	1,760,854
Indiana Municipal Power Agency, RB, Series B, 6.00%, 1/01/39	2,150	2,429,134

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Schedule of Investments (continued) **BlackRock Municipal Income Trust (BFK)**  
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Indiana (concluded)		
Indianapolis Local Public Improvement Bond Bank, RB, Series A, 5.00%, 1/15/40	\$2,490	\$2,725,031
		27,497,505
Iowa — 2.6%		
Iowa Finance Authority, RB, Midwestern Disaster Area, Alcoa, Inc. Project, 4.75%, 8/01/42	2,265	2,259,088
Iowa Finance Authority, Refunding RB, Midwestern Disaster Area, Iowa Fertilizer Co. Project: 5.00%, 12/01/19	1,880	1,976,312
5.50%, 12/01/22	4,595	4,791,207
5.25%, 12/01/25	2,125	2,239,601
Iowa Student Loan Liquidity Corp., Refunding RB, Student Loan, Senior Series A-1, AMT, 5.15%, 12/01/22	2,995	3,161,193
Iowa Tobacco Settlement Authority, Refunding RB, Asset-Backed, Series C, 5.63%, 6/01/46	2,920	2,413,146

16,840,547

Kentucky — 0.5%

Kentucky

Economic

Development

Finance

Authority, RB, 1,915 2,080,303

Catholic Health

Initiatives, Series

A, 5.25%,

1/01/45

Kentucky Public

Transportation

Infrastructure

Authority, RB,

Downtown

Crossing Project, 2,325 1,493,626

Convertible

CAB, 1st Tier,

Series C, 0.00%,

7/01/43 (f)

3,573,929

Louisiana — 2.7%

Louisiana Local

Government

Environmental

Facilities &amp;

Community

Development

Authority, RB, 6,535 7,502,049

Westlake

Chemical Corp.

Project,

Series A-1,

6.50%, 11/01/35

Tobacco

Settlement

Financing Corp.,

Refunding RB,

Asset-Backed,

Series A:

5.50%, 5/15/30 1,980 2,166,239

5.25%, 5/15/31 1,690 1,813,370

5.25%, 5/15/32 2,160 2,295,929

5.25%, 5/15/33 2,345 2,481,432

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Municipal Bonds	Par (000)	Value
Louisiana (concluded) Tobacco Settlement Financing Corp., Refunding RB, Asset-Backed, Series A (concluded): 5.25%, 5/15/35 \$985		\$1,046,740
		17,305,759
Maryland — 1.3% Maryland EDC, RB, Transportation Facilities Project, Series A, 5.75%, 6/01/35	855	908,566
Maryland EDC, Refunding RB, CNX Marine Terminals, Inc., 5.75%, 9/01/25	2,235	2,439,860
Maryland Health & Higher Educational Facilities Authority, Refunding RB, Charlestown Community Project, 6.25%, 1/01/41	4,295	4,699,675
Montgomery County Housing Opportunit Commission, RB, Series D, AMT, 5.50%, 1/01/38	415	420,756
		8,468,857
Massachusetts — 0.9%		

Massachusetts  
 Development  
 Finance  
 Agency,  
 Refunding RB, 2,775 2,806,552  
 Covanta Energy  
 Project, Series  
 C, AMT,  
 5.25%, 11/01/42  
 Massachusetts  
 Health &  
 Educational  
 Facilities  
 Authority,  
 Refunding RB, 2,535 2,775,901  
 Partners  
 Healthcare  
 System, Series  
 J1, 5.00%,  
 7/01/39

5,582,453

Michigan — 3.4%  
 City of Detroit  
 Michigan  
 Sewage  
 Disposal  
 System,  
 Refunding RB,  
 Senior Lien,  
 Series A:  
 5.00%, 7/01/32 3,065 2,976,575  
 5.25%, 7/01/39 8,665 8,487,714  
 City of Lansing  
 Michigan, RB,  
 Board of Water  
 & Light  
 Utilities 2,870 3,332,587  
 System, Series  
 A, 5.50%,  
 7/01/41  
 Kalamazoo  
 Hospital  
 Finance  
 Authority,  
 Refunding RB, 2,700 2,879,955  
 Bronson  
 Methodist  
 Hospital,  
 5.50%, 5/15/36

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5.50%, 2/01/42  
 State of  
 Missouri Health  
 & Educational  
 Facilities  
 Authority,  
 Refunding RB, 480 516,163  
 St. Louis  
 College of  
 Pharmacy  
 Project, 5.50%,  
 5/01/43

3,194,186

Multi-State — 2.5%  
 Centerline  
 Equity Issuer  
 Trust, 6.80%, 16,000 16,224,800  
 10/31/52 (b)(g)

Nebraska — 1.4%  
 Central Plains  
 Energy Project  
 Nebraska, RB,  
 Gas Project No.  
 3:  
 5.25%, 9/01/37 1,610 1,723,666  
 5.00%, 9/01/42 2,815 2,946,292

County of  
 Douglas  
 Nebraska  
 Hospital  
 Authority No. 2,  
 Refunding RB, 3,280 3,530,526  
 Health  
 Facilities,  
 Immanuel  
 Obligation  
 Group, 5.63%,  
 1/01/40

County of 600 645,828  
 Lancaster  
 Nebraska  
 Hospital  
 Authority No. 1,  
 Refunding RB,  
 Immanuel  
 Obligation  
 Group, Health  
 Facilities,

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5.63%, 1/01/40

8,846,312

Municipal Bonds	Par (000)	Value
Nevada — 0.7%		
County of Clark Nevada, Refunding RB, Alexander Dawson School Nevada Project, 5.00%, 5/15/29	\$4,550	\$4,806,711
New Jersey — 7.2%		
County of Middlesex New Jersey Improvement Authority, RB, Heldrich Center Hotel, Sub-Series B, 6.25%, 1/01/37 (d)(e)	3,680	187,680
New Jersey EDA, RB:		
Continental Airlines, Inc. Project, AMT, 5.25%, 9/15/29	3,830	3,946,049
Continental Airlines, Inc. Project, Series B, AMT, 5.63%, 11/15/30	2,035	2,161,760
The Goethals Bridge Replacement Project, 5.38%, 1/01/43	2,285	2,424,042
New Jersey EDA, Refunding RB, Special Assessment, Kapkowski Road Landfill Project, 6.50%, 4/01/28	8,000	9,355,360
New Jersey State Turnpike Authority, RB, Series A:		
5.00%, 1/01/38	2,535	2,752,047
5.00%, 1/01/43	8,150	8,807,216
New Jersey Transportation Trust Fund Authority, RB, Transportation System:		
Series A, 5.50%, 6/15/41	8,000	8,861,280
Series B, 5.25%, 6/15/36	4,810	5,231,164
Rutgers - The State University of New Jersey, Refunding RB, Series L, 5.00%, 5/01/43	1,030	1,143,073
Tobacco Settlement Financing Corp. New Jersey, Refunding RB, Series 1A, 4.50%, 6/01/23	2,165	2,123,281
		46,992,952
New York — 11.1%		
Albany Industrial Development Agency, RB, New Covenant Charter School Project, Series A, 7.00%, 5/01/35 (d)(e)	1,820	273,109

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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 Industrial Development Agency, ARB, American Airlines, Inc., JFK International Airport, AMT (h):		
8.00%, 8/01/28	\$5,000	\$5,525,300
7.75%, 8/01/31	22,140	24,440,125
City of New York New York Transitional Finance Authority, RB, Future Tax Secured Bonds, Fiscal 2012, Sub-Series E-1, 5.00%, 2/01/42		
County of Westchester Healthcare Corp., RB, Senior Lien, Series A, 5.00%, 11/01/44	4,805	5,240,429
Metropolitan Transportation Authority, RB, Series B:		
5.25%, 11/15/38	4,640	5,197,542
5.25%, 11/15/39	1,650	1,845,393
New York Counties Tobacco Trust II, RB, 5.75%, 6/01/43	3,044	3,231,913
New York Liberty Development	5,000	4,812,500
	2,400	2,642,280

Corp., Refunding RB, 2nd Priority, Bank of America Tower at 1 Bryant Park Project, Class 3, 6.38%, 7/15/49 New York State Dormitory Authority, RB,	4,775	4,895,855
Series F, 5.00%, 3/15/35 New York State Dormitory Authority, Refunding RB,	6,655	7,343,792
Series D, 5.00%, 2/15/37 Niagara Area Development Corp., Refunding RB, Solid Waste Disposal Facility,	1,575	1,592,908
Covanta Energy Project, Series A, AMT, 5.25%, 11/01/42 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	2,912,411
6.00%, 12/01/42	1,960	2,248,669
		72,202,226
North Carolina — 4.2% County of Gaston	12,130	12,124,178
North Carolina Industrial Facilities & Pollution Control Financing Authority, RB, Exempt Facilities,		

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National Gypsum  
Co. Project,  
AMT, 5.75%,  
8/01/35

Municipal Bonds	Par (000)	Value
North Carolina (concluded)		
North Carolina Capital Facilities Finance Agency, Refunding RB, Duke University Project, Series B, 5.00%, 10/01/38	\$ 10,000	\$ 11,244,700
North Carolina Medical Care Commission, RB, Health Care Facilities, Duke University Health System, Series A, 5.00%, 6/01/42	2,750	3,036,715
North Carolina Medical Care Commission, Refunding RB, First Mortgage, Retirement Facilities Whitestone Project, Series A, 7.75%, 3/01/41	1,130	1,252,989
		27,658,582
Ohio — 2.7%		
County of Allen Ohio Hospital Facilities, Refunding RB, Catholic Healthcare Partners, Series A, 5.25%, 6/01/38	6,125	6,588,785
County of Franklin Ohio, RB, Health Care Facilities Improvement, OPRS Communities Obligation Group, Series A, 6.13%, 7/01/40	1,280	1,364,518
County of Montgomery Ohio, Refunding RB, Catholic Health, Series A, 5.00%, 5/01/39	5,450	5,661,787
Pinnacle Community Infrastructure Financing Authority, RB, Facilities, Series A, 6.25%, 12/01/36	3,760	3,802,676
		17,417,766
Pennsylvania — 1.3%		
City of Philadelphia Pennsylvania Hospitals & Higher Education Facilities Authority, RB, Temple University Health System, Series A, 5.63%, 7/01/42	2,395	2,423,069
Pennsylvania Economic Development Financing Authority, RB, Aqua Pennsylvania, Inc. Project, Series B, 5.00%, 11/15/40	3,725	3,973,905

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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
Pennsylvania (concluded)		
State of Pennsylvania Turnpike Commission, RB, Series A, 5.00%, 12/01/44	\$2,155	\$2,360,673
		8,757,647
South Carolina — 2.3%		
South Carolina State Ports Authority, RB, 5.25%, 7/01/40	6,455	6,964,300
State of South Carolina Public Service Authority, RB, Series A, 5.50%, 12/01/54	6,995	7,744,724
		14,709,024
Tennessee — 0.4%		
City of Chattanooga Tennessee Health Educational & Housing Facility Board, RB, Catholic Health Initiatives, Series A, 5.25%, 1/01/45	2,660	2,889,611
Texas — 14.9%		
Brazos River Authority, RB, TXU Electric, Series A, AMT, 8.25%, 10/01/30 (d)(e)	4,370	404,225
Central Texas Regional Mobility Authority, Refunding RB:		
Senior Lien, 6.25%, 1/01/46	4,210	4,724,799
Sub-Lien, 5.00%, 1/01/33	700	728,504
Sub-Lien, 5.00%, 1/01/42	620	636,467
City of Dallas Texas Waterworks & Sewer System, Refunding RB, 5.00%, 10/01/35	2,970	3,363,792
City of Houston Texas Airport System, Refunding ARB, Senior Lien, Series A, 5.50%, 7/01/39	3,000	3,394,260
City of Houston Texas Utility System, Refunding RB, Combined 1st Lien, Series A (AGC), 6.00%, 11/15/35	16,425	19,283,936
County of Harris Texas Cultural Education Facilities Finance Corp., RB, 1st Mortgage, Brazos Presbyterian Homes, Inc. Project, Series B:		
7.00%, 1/01/43	380	424,479
7.00%, 1/01/48	500	554,935

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County of Harris Texas-Houston Sports  
 Authority, Refunding RB (NPFGC) (c):  
 3rd Lien, Series A-3, 0.00%, 11/15/37 26,120 6,365,444  
 CAB, Junior Lien, Series H, 0.00%, 11/15/35 5,000 1,465,700

Municipal Bonds	Par (000)	Value
Texas (concluded)		
County of Harris Texas-Houston Sports Authority, Refunding RB (NPFGC) (c) (concluded): CAB, Senior Lien, Series A, 0.00%, 11/15/38	\$12,580	\$3,172,047
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	2,763,143
0.00%, 9/15/41	5,420	1,452,126
County of Tarrant Texas Cultural Education Facilities Finance Corp., RB, Scott & White Healthcare, 6.00%, 8/15/45	7,930	9,486,500
Fort Bend County Industrial Development Corp., RB, NRG Energy Project, Series B, 4.75%, 11/01/42	2,045	2,082,608
North Texas Tollway Authority, Refunding RB, 2nd Tier System, Series F, 6.13%, 1/01/31	12,180	12,918,717
San Antonio Energy Acquisition Public Facility Corp., RB, Gas Supply, 5.50%, 8/01/25	6,540	7,647,484
Texas Municipal Gas Acquisition & Supply Corp. III, RB, 5.00%, 12/15/32	2,835	2,977,232
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	7,125,660
NTE Mobility Partners LLC, North Tarrant Express Managed Lanes Project, 6.88%, 12/31/39	5,100	5,986,941
		96,958,999
Utah — 0.6%		
Utah State Charter School Finance Authority, RB, Ogden Preparatory Academy, Series A: 3.25%, 10/15/36	1,940	1,616,641

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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
Utah (concluded)		
Utah State Charter School Finance Authority, RB, Ogden Preparatory Academy, Series A (concluded): 3.25%, 10/15/42	\$3,010	\$2,419,829
		4,036,470
Virginia — 1.5%		
Virginia Small Business Financing Authority, RB, Senior Lien, Elizabeth River Crossings OpCo LLC Project, AMT: 5.25%, 1/01/32 6.00%, 1/01/37	3,155 5,695	3,374,083 6,350,723
		9,724,806
Washington — 0.8%		
Washington Health Care Facilities Authority, RB, Catholic Health Initiatives, Series A, 5.75%, 1/01/45	4,420	4,978,069
Wisconsin — 0.3%		
State of Wisconsin Health & Educational Facilities	1,640	1,769,248

Authority, RB,  
 Ascension Health  
 Senior Credit  
 Group, Series E,  
 5.00%, 11/15/33

**Total Municipal Bonds** — 798,235,438  
**122.8%**

Municipal Bonds Transferred to

Tender Option Bond (TOB) Trusts (i)

Alabama — 0.7%

City of  
 Birmingham  
 Alabama Special  
 Care Facilities  
 Financing  
 Authority,  
 Refunding RB, 4,548 4,777,707  
 Ascension  
 Health, Senior  
 Credit, Series  
 C-2, 5.00%,  
 11/15/36

California — 5.4%

California  
 Educational  
 Facilities  
 Authority, RB,  
 University of 5,115 5,770,231  
 Southern  
 California, Series  
 B, 5.25%,  
 10/01/39 (j)  
 City & County of  
 San Francisco  
 California Public  
 Utilities  
 Commission, RB, 18,540 20,617,778  
 Water Revenue,  
 Series B, 5.00%,  
 11/01/39  
 Los Angeles 4,500 4,974,345  
 Community  
 College District  
 California, GO,

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Election of 2001,  
Series A (AGM),  
5.00%, 8/01/32

Municipal Bonds Transferred to

	Par (000)	Value
Tender Option Bond (TOB) Trusts (i)		
California (concluded) San Diego Community College District California, GO, Election of 2002, 5.25%, 8/01/33	\$3,260	\$3,755,642
		35,117,996
Colorado — 2.0% Colorado Health Facilities Authority, RB, Catholic Health (AGM): Series C-3, 5.10%, 10/01/41 Series C-7, 5.00%, 9/01/36	7,600 4,860	7,919,808 5,065,238
		12,985,046
Connecticut — 3.2% Connecticut State Health & Educational Facility Authority, RB, Yale University: Series T-1, 4.70%, 7/01/29 Series X-3, 4.85%, 7/01/37	9,397 9,366	10,247,626 10,176,957
		20,424,583
Florida — 1.1% County of Miami-Dade Florida, RB, Water & Sewer System, 5.00%, 10/01/34	6,629	7,335,704
Massachusetts — 1.9% Massachusetts School Building Authority, RB, Senior, Series B, 5.00%, 10/15/41 Massachusetts Water Resources Authority, Refunding RB, Series A, 5.00%, 8/01/41	4,427 6,770	4,897,566 7,232,391
		12,129,957

New Hampshire — 0.7%  
 New Hampshire Health &  
 Education Facilities Authority,  
 RB, Dartmouth College, 3,988 4,531,097  
 5.25%,  
 6/01/39 (j)

New York — 9.6%  
 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 3,517,225  
 Series HH, 5.00%, 6/15/31 (j) 16,393 18,303,843  
 Hudson Yards Infrastructure  
 Corp., RB, Senior Bond, Fiscal  
 2012, Series A, 5.75%, 2/15/47 3,130 3,560,491  
 (j)

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

Municipal Bonds Transferred to	Par (000)	Value
Tender Option Bond (TOB) Trusts (i)		
New York (concluded)		
New York Liberty Development Corp., RB, 1 World Trade Center Port Authority Consolidated, 5.25%, 12/15/43	\$20,865	\$22,990,726
New York Liberty Development Corp., Refunding RB, 4 World Trade Center Project, 5.75%, 11/15/51 (j)	12,610	14,136,314
		62,508,599
Texas — 3.0%		
City of San Antonio Texas Public Service Board, RB, Electric & Gas Systems, Junior Lien, 5.00%, 2/01/43	4,900	5,372,164
County of Harris Texas Metropolitan Transit Authority, Refunding RB, Series A, 5.00%, 11/01/41	6,650	7,319,256
University of Texas, Refunding RB, Financing System, Series B, 5.00%, 8/15/43	6,001	6,725,328
		19,416,748
Utah — 1.2%		
City of Riverton Utah, RB, IHC Health Services, Inc., 5.00%, 8/15/41	7,150	7,604,661
Virginia — 1.8%		
University of Virginia, Refunding RB, General, 5.00%, 6/01/40	10,767	11,943,514
Washington — 3.4%		
Central Puget Sound Regional Transit Authority, RB, Series A (AGM), 5.00%, 11/01/32	5,459	6,009,706
Municipal Bonds Transferred to		
	Par (000)	Value
Tender Option Bond (TOB) Trusts (i)		
Washington (concluded)		
State of Washington, GO, Various Purposes, Series E, 5.00%, 2/01/34	\$14,487	\$16,255,896
		22,265,602
<b>Total Municipal Bonds Transferred to</b>		<b>221,041,214</b>
<b>Tender Option Bond (TOB) Trusts — 34.0%</b>		
<b>Total Long-Term Investments</b>		<b>1,019,276,652</b>
<b>(Cost — \$958,844,252) — 156.8%</b>		

Short-Term Securities	Shares	
FII Institutional Tax-Exempt Fund, 0.03% (k)(l)	13,881,985	13,881,985
<b>Total Short-Term Securities</b> <b>(Cost — \$13,881,985) — 2.1%</b>		13,881,985
<b>Total Investments</b> <b>(Cost — \$972,726,237*) — 158.9%</b>		1,033,158,637
<b>Other Assets Less Liabilities — 1.7%</b>		10,395,208
<b>Liability for TOB Trust Certificates, Including Interest Expense and Fees Payable — (18.9%)</b>		(122,708,723)
<b>VMTP Shares, at Liquidation Value — (41.7%)</b>		(270,800,000)
<b>Net Assets Applicable to Common Shares — 100.0%</b>		\$650,045,122

As of July 31, 2014, gross unrealized appreciation and depreciation based on cost for federal income tax purposes \*were as follows:

Tax cost	\$852,391,249
Gross unrealized appreciation	\$73,922,880
Gross unrealized depreciation	(15,843,419)
Net unrealized appreciation	\$58,079,461

#### Notes to Schedule of Investments

- (a) U.S. 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.
- (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) Non-income producing security.
- (e) Issuer filed for bankruptcy and/or is in default of principal and/or interest payments.
- (f) 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.
- (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 for which the Trust received cash and residual interest certificates. These bonds serve as collateral in a financing transaction.

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

- 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 the
- (j) 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  
 July 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, 2014	Net Activity	Shares Held at July 31, 2014	Income
FFI Institutional Tax-Exempt Fund	14,688,018	(806,033)	13,881,985	\$1,127

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

**Portfolio Abbreviations**

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
LRB	Lease Revenue Bonds
NPFGC	National Public Finance Guarantee Corp.
RB	Revenue Bonds

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

Contracts	Issue	Exchange	Expiration	Notional Value	Unrealized Appreciation
Sold					
(522)	10-Year U.S. Treasury Note	Chicago Board of Trade	September 2014	\$65,046,094	\$562,050

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

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 annual report.

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

	Level 1	Level 2	Level 3	Total
<b>Assets:</b>				
Investments:				
Long-Term Investments <sup>1</sup>	—	\$ 1,019,276,652	—	\$ 1,019,276,652
Short-Term Securities	13,881,985	—	—	13,881,985
<b>Total</b>	\$ 13,881,985	\$ 1,019,276,652	—	\$ 1,033,158,637

<sup>1</sup>See above Schedule of Investments for values in each state or political subdivision.

	Level 1	Level 2	Level 3	Total
Derivative Financial Instruments <sup>2</sup>				
<b>Assets:</b>				
Interest rate contracts	\$ 562,050	—	—	\$562,050

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

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

The Trust may hold assets and/or liabilities in which the fair value approximates the carrying amount for financial reporting purposes. As of July 31, 2014, such assets and/or liabilities are categorized within the disclosure hierarchy as follows:

	Level 1	Level 2	Level 3	Total
<b>Assets:</b>				
Cash pledged for financial futures contracts	\$ 713,000	—	—	\$713,000
<b>Liabilities:</b>				
TOB trust certificates	—	\$ (122,687,927)	—	(122,687,927)
VRDP Shares	—	(270,800,000)	—	(270,800,000)
<b>Total</b>	\$ 713,000	\$ (393,487,927)	—	\$(392,774,927)

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

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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: September 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: September 25, 2014

By: /s/ Neal J. Andrews

Neal J. Andrews

Chief Financial Officer (principal financial officer) of  
BlackRock Municipal Income Trust

Date: September 25, 2014