

MFS MUNICIPAL INCOME TRUST  
Form N-CSRS  
July 05, 2012  
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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**FORM N-CSR**

**CERTIFIED SHAREHOLDER REPORT OF**  
**REGISTERED MANAGEMENT INVESTMENT COMPANIES**

Investment Company Act file number 811-04841

**MFS MUNICIPAL INCOME TRUST**

(Exact name of registrant as specified in charter)

**500 Boylston Street, Boston, Massachusetts 02116**

(Address of principal executive offices) (Zip code)

**Susan S. Newton**

**Massachusetts Financial Services Company**

**500 Boylston Street**

**Boston, Massachusetts 02116**

(Name and address of agents for service)

Registrant's telephone number, including area code: (617) 954-5000

Date of fiscal year end: October 31

Date of reporting period: April 30, 2012

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**ITEM 1. REPORTS TO STOCKHOLDERS.**

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# MFS® Municipal Income Trust

## SEMIANNUAL REPORT

*April 30, 2012*

MFM-SEM

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**MFS® MUNICIPAL INCOME TRUST**

New York Stock Exchange Symbol: **MFM**

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**NOT FDIC INSURED MAY LOSE VALUE NO BANK GUARANTEE**

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## LETTER FROM THE CHAIRMAN AND CEO

Dear Shareholders:

World financial markets remain a venue of uncertainty. The focus has shifted most recently to the eurozone, where elections in the 17-country region reflected a level of voter unwillingness to accept the austerity measures enacted in the midst of an economic slowdown. Volatility is likely to continue as investors watch how this voter backlash plays out in Europe and in other countries attempting to

resolve budget issues.

The U.S. economy is experiencing a period of growth. However, markets have been jittery in reaction to events in Europe and ahead of the U.S. presidential election. As in Europe, voters in the United States are watching the economy closely and waiting to see if Congress agrees to cut the budget and extend the Bush tax cuts. Failure to do so could ultimately send the U.S. economy back into recession.

Amid this global uncertainty, managing risk becomes a top priority for investors and their advisors. At MFS®, our global research platform is designed to ensure the smooth

functioning of our investment process in all business climates. Risk management is always foremost in our minds. Our research platform enables our analysts to uncover attractive global opportunities across asset classes. Additionally, we have a team of quantitative analysts that measures and assesses the risk profiles of our portfolios and securities on an ongoing basis. The chief investment risk officer, who oversees the team, reports directly to the firm's president and chief investment officer so that the risk associated with each portfolio can be assessed objectively and independently of the portfolio management team.

We, like our investors, are mindful of the many economic challenges faced at the local, national, and international levels. It is in times such as these that we want to emphasize the merits of maintaining a long-term view, adhering to basic investing principles such as asset allocation and diversification, and working closely with investment advisors to research and identify appropriate investment opportunities.

Respectfully,

**Robert J. Manning**

*Chairman and Chief Executive Officer*

*MFS Investment Management®*

*June 18, 2012*

The opinions expressed in this letter are subject to change, may not be relied upon for investment advice, and no forecasts can be guaranteed.

**Table of Contents****PORTFOLIO COMPOSITION****Portfolio structure (i)****Top five industries (i)**

|                                     |       |
|-------------------------------------|-------|
| Healthcare Revenue – Hospitals      | 24.0% |
| Universities – Colleges             | 10.9% |
| Healthcare Revenue – Long Term Care | 9.8%  |
| Water & Sewer Utility Revenue       | 6.7%  |
| Tobacco                             | 5.3%  |

**Composition including fixed income credit quality (a)(i)**

|              |        |
|--------------|--------|
| AAA          | 8.7%   |
| AA           | 13.7%  |
| A            | 15.7%  |
| BBB          | 30.2%  |
| BB           | 5.3%   |
| B            | 7.2%   |
| CCC          | 0.5%   |
| CC (o)       | 0.0%   |
| C            | 0.2%   |
| D            | 0.1%   |
| Not Rated    | 19.1%  |
| Cash & Other | (0.7)% |

**Portfolio fact (i)**

|                                |           |
|--------------------------------|-----------|
| Average Duration (d)           | 12.6      |
| Average Effective Maturity (m) | 19.7 yrs. |

(a) For all securities other than those specifically described below, ratings are assigned to underlying securities utilizing ratings from Moody's, Fitch, and Standard & Poor's rating agencies and applying the following hierarchy: If all three agencies provide a rating, the middle rating (after dropping the highest and lowest ratings) is assigned; if two of the three agencies rate a security, the lower of the two is assigned. Ratings are shown in the S&P and Fitch scale (e.g., AAA). All ratings are subject to change. Not Rated includes fixed income securities, including fixed income futures, which have not been rated by any rating agency. Cash & Other includes cash, other assets less liabilities, offsets to derivative positions, and short-term securities. The fund may not hold all of these instruments. The fund is not rated by these agencies.

(d) Duration is a measure of how much a bond's price is likely to fluctuate with general changes in interest rates, e.g., if rates rise 1.00%, a bond with a 5-year duration is likely to lose about 5.00% of its value due to the interest rate move.

(i) For purposes of this presentation, the components include the market value of securities, and reflect the impact of the equivalent exposure of derivative positions, if any. These amounts may be negative from time to time. The bond component will include any accrued interest amounts. Equivalent exposure is a calculated amount that translates the derivative position into a reasonable approximation of the amount of the underlying asset that the portfolio would have to hold at a given point in time to have the same



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*Portfolio Composition continued*

price sensitivity that results from the portfolio's ownership of the derivative contract. When dealing with derivatives, equivalent exposure is a more representative measure of the potential impact of a position on portfolio performance than market value. Where the fund holds convertible bonds, these are treated as part of the equity portion of the portfolio.

(m) In determining an instrument's effective maturity for purposes of calculating the fund's dollar-weighted average effective maturity, MFS uses the instrument's stated maturity or, if applicable, an earlier date on which MFS believes it is probable that a maturity-shortening device (such as a put, pre-refunding or prepayment) will cause the instrument to be repaid. Such an earlier date can be substantially shorter than the instrument's stated maturity.

(o) Less than 0.1%.

From time to time Cash & Other Net Assets may be negative due to timing of cash receipts and/or equivalent exposure from any derivative holdings.

Percentages are based on net assets, including the value of auction preferred shares, as of 4/30/12.

The portfolio is actively managed and current holdings may be different.



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## PORTFOLIO MANAGERS PROFILES

Gary Lasman Investment Officer of MFS; employed in the investment management area of MFS since 2002. Portfolio Manager of the Fund since April 2006.

Geoffrey Schechter Investment Officer of MFS; employed in the investment management area of MFS since 1993. Portfolio Manager of the Fund since July 2004.

## OTHER NOTES

The fund's shares may trade at a discount or premium to net asset value. Shareholders do not have the right to cause the fund to repurchase their shares at net asset value. When fund shares trade at a premium, buyers pay more than the net asset value of underlying fund shares, and shares purchased at a premium would receive less than the amount paid for them in the event of the fund's liquidation. As a result, the total return that is calculated based on the net asset value and New York Stock Exchange price can be different.

The fund's monthly distributions may include a return of capital to shareholders to the extent that distributions are in excess of the fund's net investment income and net capital gains, determined in accordance with federal income tax regulations. Distributions that are treated for federal income tax purposes as a return of capital will reduce each shareholder's basis in his or her shares and, to the extent the return of capital exceeds such basis, will be treated as gain to the shareholder from a sale of shares. Returns of shareholder capital have the effect of reducing the fund's assets and increasing the fund's expense ratio.

In accordance with Section 23(c) of the Investment Company Act of 1940, the fund hereby gives notice that it may from time to time repurchase common and/or preferred shares of the fund in the open market at the option of the Board of Trustees and on such terms as the Trustees shall determine.

**Table of Contents****PORTFOLIO OF INVESTMENTS**

4/30/12 (unaudited)

The Portfolio of Investments is a complete list of all securities owned by your fund. It is categorized by broad-based asset classes.

**Municipal Bonds - 141.4%**

| <b>Issuer</b>  | <b>Shares/Par</b> | <b>Value (\$)</b> |
|--|-------------------|-------------------|
| <b>Airport Revenue - 2.6%</b>  |                   |                   |
| Chicago, IL, O Hare International Airport Rev. (Third Lien Passenger Facility), B , AGM, 5.75%, 2022 | \$ 3,000,000      | \$ 3,188,885      |
| Houston, TX, Airport System Rev., B , 5%, 2026   | 265,000           | 299,683           |
| Houston, TX, Airport System Rev., Subordinate Lien, A , 5%, 2031                                     | 255,000           | 271,718           |
| Miami-Dade County, FL, Aviation Rev., B , AGM, 5%, 2035  | 1,365,000         | 1,459,622         |
| Port Authority NY & NJ, Special Obligation Rev. (JFK International Air Terminal LLC), 6%, 2036       | 485,000           | 546,944           |
| Port Authority NY & NJ, Special Obligation Rev. (JFK International Air Terminal LLC), 6%, 2042       | 550,000           | 619,405           |
| San Jose, CA, Airport Rev., A-2 , 5.25%, 2034  | 1,215,000         | 1,312,868         |
|  |                   | \$ 7,699,125      |
| <b>General Obligations - General Purpose - 4.8%</b>  |                   |                   |
| Chicago, IL, Metropolitan Water Reclamation District-Greater Chicago, C , 5%, 2030                   | \$ 1,260,000      | \$ 1,453,662      |
| Commonwealth of Puerto Rico, Public Improvement, A , 5.5%, 2039                                      | 3,340,000         | 3,452,692         |
| Commonwealth of Puerto Rico, Public Improvement, B , 6.5%, 2037                                      | 495,000           | 556,929           |
| Luzerne County, PA, AGM, 6.75%, 2023   | 865,000           | 1,018,339         |
| Puerto Rico Public Buildings Authority Rev., Guaranteed (Government Facilities), F , 5.25%, 2024     | 2,500,000         | 2,686,125         |
| State of California, 5.25%, 2028   | 660,000           | 750,776           |
| State of California, 5.25%, 2030   | 1,560,000         | 1,754,438         |
| State of California, 5.25%, 2035   | 1,285,000         | 1,445,548         |
| State of California, 5%, 2041  | 455,000           | 484,134           |
| State of Hawaii, DZ , 5%, 2031   | 335,000           | 388,292           |
|  |                   | \$ 13,990,935     |
| <b>General Obligations - Improvement - 0.1%</b>  |                   |                   |
| Guam Government, A , 7%, 2039  | \$ 170,000        | \$ 185,880        |
| <b>General Obligations - Schools - 0.5%</b>  |                   |                   |
| Beverly Hills, CA, Unified School District (Election of 2008), Capital Appreciation, 0%, 2031        | \$ 525,000        | \$ 223,382        |
| Chicago, IL, Board of Education, A , 5%, 2041  | 170,000           | 185,105           |
| Los Angeles, CA, Unified School District, D , 5%, 2034   | 180,000           | 194,477           |
| Merced, CA, Union High School District, Capital Appreciation, A , ASSD GTY, 0%, 2030                 | 145,000           | 56,433            |

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*Portfolio of Investments (unaudited) continued*

| Issuer   | Shares/Par | Value (\$)          |
|--|------------|---------------------|
| <b>Municipal Bonds - continued</b>   |            |                     |
| <b>General Obligations - Schools - continued</b>   |            |                     |
| Royse City, TX, Independent School District, School Building, Capital Appreciation, PSF, 0%, 2027                                | \$ 955,000 | \$ 476,602          |
| Royse City, TX, Independent School District, School Building, Capital Appreciation, PSF, 0%, 2029                                | 965,000    | 430,757             |
|  |            | <b>\$ 1,566,756</b> |
| <b>Healthcare Revenue - Hospitals - 32.8%</b>  |            |                     |
| Alexander City, AL, Special Care Facilities Financing Authority Medical Facilities Rev., A (Russell Hospital Corp.), 5.75%, 2036 | \$ 600,000 | \$ 606,690          |
| Allegheny County, PA, Hospital Development Authority Rev. (West Penn Allegheny Health), A, 5%, 2028                              | 1,905,000  | 1,619,726           |
| Allegheny County, PA, Hospital Development Authority Rev. (West Penn Allegheny Health), A, 5.375%, 2040                          | 1,055,000  | 879,311             |
| Athens County, OH, Hospital Facilities Rev. (O Bleness Memorial Hospital), A, 7.125%, 2033                                       | 1,500,000  | 1,513,425           |
| Burleigh County, ND, Health Care Rev. (St. Alexius Medical Center), A, 5%, 2038  | 380,000    | 396,914             |
| Butler County, OH, Hospital Facilities Rev. (UC Health), 5.75%, 2040   | 260,000    | 281,778             |
| California Health Facilities Financing Authority Rev. (St. Joseph Health System), A, 5.75%, 2039                                 | 650,000    | 722,319             |
| California Health Facilities Financing Authority Rev. (Sutter Health), B, 5.875%, 2031   | 1,295,000  | 1,539,017           |
| California Statewide Communities Development Authority Rev. (Kaiser Permanente), A, 5%, 2042                                     | 590,000    | 628,911             |
| Chautauqua County, NY, Capital Resource Corp., Rev. (Women s Christian Assn.), A, 8%, 2030                                       | 1,060,000  | 1,141,726           |
| Citrus County, FL, Hospital Development Authority Rev. (Citrus Memorial Hospital), 6.25%, 2023                                   | 745,000    | 745,998             |
| Clinton County, MO, Industrial Development Agency, Health Facilities Rev. (Cameron Regional Medical Center), 5%, 2032            | 275,000    | 255,932             |
| Cullman County, AL, Health Care Authority (Cullman Regional Medical Center), A, 6.75%, 2029                                      | 865,000    | 886,011             |
| DeKalb County, GA, Hospital Authority Rev. (DeKalb Medical Center, Inc.), 6.125%, 2040   | 1,150,000  | 1,255,973           |
| Escambia County, FL, Health Facilities Authority (Baptist Hospital, Inc.), A, 6%, 2036   | 615,000    | 676,814             |
| Fruita, CO, Rev. (Family Health West Project), 7%, 2018  | 230,000    | 250,645             |
| Fruita, CO, Rev. (Family Health West Project), 8%, 2043  | 1,310,000  | 1,403,469           |
| Gallia County, OH, Hospital Facilities Rev. (Holzer Health Systems), A, 8%, 2042   | 1,860,000  | 1,926,346           |
| Garden City, MI, Hospital Finance Authority Rev. (Garden City Hospital), A, 4.875%, 2027   | 1,275,000  | 1,121,044           |

**Table of Contents***Portfolio of Investments (unaudited) continued*

| <b>Issuer</b>  | <b>Shares/Par</b> | <b>Value (\$)</b> |
|--|-------------------|-------------------|
| <b>Municipal Bonds - continued</b>   |                   |                   |
| <b>Healthcare Revenue - Hospitals - continued</b>  |                   |                   |
| Glasgow, KY, Healthcare Rev. (TJ Samson Community Hospital), 6.375%, 2035  | \$ 570,000        | \$ 613,406        |
| Glendale, AZ, Industrial Development Authority (John C. Lincoln Health), 5%, 2042  | 755,000           | 755,332           |
| Harris County, TX, Health Facilities Development Corp., Hospital Rev. (Memorial Hermann Healthcare Systems), B, 7.25%, 2035      | 610,000           | 753,027           |
| Illinois Finance Authority Rev. (Kewanee Hospital), 5.1%, 2031   | 375,000           | 354,296           |
| Illinois Finance Authority Rev. (Provena Health), A, 7.75%, 2034   | 945,000           | 1,199,772         |
| Illinois Finance Authority Rev. (Silver Cross Hospital & Medical Centers), 6.875%, 2038  | 940,000           | 1,061,683         |
| Indiana Health & Educational Facilities Authority, Hospital Rev. (Riverview Hospital), 6.125%, 2012 (c)                          | 1,000,000         | 1,023,900         |
| Indiana Health & Educational Facilities Finance Authority, Hospital Rev. (Clarian Health), A, 5%, 2039                           | 1,000,000         | 1,031,180         |
| Indiana Health & Educational Facilities Finance Authority, Hospital Rev. (Community Foundation of Northwest Indiana), 5.5%, 2037 | 1,860,000         | 1,949,652         |
| Jefferson Parish, LA, Hospital Service District No. 2 (East Jefferson General Hospital), 6.25%, 2031                             | 595,000           | 671,951           |
| Jefferson Parish, LA, Hospital Service District No. 2 (East Jefferson General Hospital), 6.375%, 2041                            | 375,000           | 423,975           |
| Johnson City, TN, Health & Educational Facilities Board Hospital Rev. (Mountain States Health Alliance), 6%, 2038                | 365,000           | 410,242           |
| Kentucky Economic Development Finance Authority, Hospital Facilities Rev. (Owensboro Medical Health System), A, 6.375%, 2040     | 1,095,000         | 1,252,647         |
| Knox County, IN, Economic Development Rev. (Good Samaritan Hospital of Indiana), A, 5%, 2037                                     | 85,000            | 88,641            |
| Knox County, IN, Economic Development Rev. (Good Samaritan Hospital of Indiana), A, 5%, 2042                                     | 170,000           | 176,593           |
| Laramie County, WY, Hospital Rev. (Cheyenne Regional Medical Center Project), 5%, 2032   | 65,000            | 69,464            |
| Laramie County, WY, Hospital Rev. (Cheyenne Regional Medical Center Project), 5%, 2037   | 210,000           | 222,800           |
| Laramie County, WY, Hospital Rev. (Cheyenne Regional Medical Center Project), 5%, 2042   | 325,000           | 346,314           |
| Louisiana Public Facilities Authority Hospital Rev. (Lake Charles Memorial Hospital), 6.375%, 2034                               | 1,615,000         | 1,663,272         |
| Lufkin, TX, Health Facilities Development Corp. Rev. (Memorial Health System), 5.5%, 2032  | 110,000           | 111,326           |
| Lufkin, TX, Health Facilities Development Corp. Rev. (Memorial Health System), 5.5%, 2037  | 110,000           | 110,219           |
| Macomb County, MI, Hospital Finance Authority Rev. (Mount Clemens General Hospital), 5.875%, 2013 (c)                            | 435,000           | 472,001           |

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**Table of Contents***Portfolio of Investments (unaudited) continued*

| Issuer  | Shares/Par | Value (\$) |
|---|------------|------------|
| <b>Municipal Bonds - continued</b>  |            |            |
| <b>Healthcare Revenue - Hospitals - continued</b>   |            |            |
| Martin County, FL, Health Facilities Authority Rev. (Martin Memorial Medical Center), 5.5%, 2042                  | \$ 495,000 | \$ 510,924 |
| Massachusetts Health & Educational Facilities Authority Rev. (Berkshire Health Systems), E , 6.25%, 2031          | 1,020,000  | 1,030,883  |
| Massachusetts Health & Educational Facilities Authority Rev. (Saints Memorial Medical Center), A , 6%, 2023       | 505,000    | 485,310    |
| Miami Beach, FL, Health Facilities Authority Rev. (Mount Sinai Medical Center), 6.75%, 2014 (c)                   | 110,000    | 127,498    |
| Miami Beach, FL, Health Facilities Authority Rev. (Mount Sinai Medical Center), 6.75%, 2029                       | 700,000    | 744,541    |
| Miami Beach, FL, Health Facilities Authority Rev. (Mount Sinai Medical Center), A , 6.7%, 2019                    | 995,000    | 1,008,005  |
| Michigan Hospital Finance Authority Rev. (Henry Ford Health System), 5.75%, 2039                                  | 2,000,000  | 2,198,400  |
| Monroe County, MI, Hospital Finance Authority, Hospital Rev. (Mercy Memorial Hospital Corp.), 5.5%, 2035          | 1,020,000  | 1,037,054  |
| Monroe County, PA, Hospital Authority Rev. (Pocono Medical Center), A , 5%, 2032                                  | 85,000     | 88,906     |
| Monroe County, PA, Hospital Authority Rev. (Pocono Medical Center), A , 5%, 2041                                  | 60,000     | 61,616     |
| Montgomery, AL, Medical Clinic Board Health Care Facility Rev. (Jackson Hospital & Clinic), 5.25%, 2031           | 225,000    | 228,409    |
| Montgomery, AL, Medical Clinic Board Health Care Facility Rev. (Jackson Hospital & Clinic), 5.25%, 2036           | 1,135,000  | 1,144,296  |
| Mount Lebanon, PA, Hospital Authority Rev. (St. Clair Memorial Hospital), 5.625%, 2032                            | 435,000    | 436,227    |
| New Hampshire Business Finance Authority Rev. (Elliot Hospital Obligated Group), A , 6%, 2027                     | 1,110,000  | 1,233,832  |
| New Hampshire Health & Education Facilities Authority Rev. (Catholic Medical Center), A , 6.125%, 2032            | 120,000    | 121,450    |
| New Hampshire Health & Education Facilities Authority Rev. (Covenant Health System), 6.5%, 2017                   | 75,000     | 76,069     |
| New Mexico Hospital Equipment Loan Council, Hospital Rev. (Rehoboth McKinley Christian Hospital), A , 5%, 2017    | 100,000    | 100,546    |
| New Mexico Hospital Equipment Loan Council, Hospital Rev. (Rehoboth McKinley Christian Hospital), A , 5.25%, 2026 | 440,000    | 401,500    |
| Norman, OK, Regional Hospital Authority Rev., 5%, 2027  | 300,000    | 300,258    |
| Norman, OK, Regional Hospital Authority Rev., 5.375%, 2029  | 175,000    | 176,295    |
| Norman, OK, Regional Hospital Authority Rev., 5.375%, 2036  | 1,395,000  | 1,377,172  |
| Ohio Higher Educational Facility Commission Rev. (University Hospital Health System), 6.75%, 2039                 | 1,610,000  | 1,750,086  |

**Table of Contents***Portfolio of Investments (unaudited) continued*

| Issuer   | Shares/Par   | Value (\$)   |
|--|--------------|--------------|
| <b>Municipal Bonds - continued</b>   |              |              |
| Healthcare Revenue - Hospitals - continued   |              |              |
| Oklahoma Development Finance Authority Rev. (Comanche County Hospital), B , 6.6%, 2031   | \$ 1,665,000 | \$ 1,701,547 |
| Olympia, WA, Healthcare Facilities Authority Rev. (Catholic Health Initiatives), D , 6.375%, 2036                                    | 1,500,000    | 1,817,565    |
| Palomar Pomerado Health Care District, CA, COP, 6.75%, 2039  | 1,735,000    | 1,892,295    |
| Philadelphia, PA, Hospitals & Higher Education Facilities Authority Rev. (Temple University Health System), A , 6.625%, 2023         | 725,000      | 726,370      |
| Rhode Island Health & Educational Building Corp. Rev., Hospital Financing (Lifespan Obligated Group), 6.375%, 2012 (c)               | 1,560,000    | 1,587,409    |
| Rhode Island Health & Educational Building Corp., Hospital Financing (Lifespan Obligated Group), 6.5%, 2012 (c)                      | 505,000      | 514,050      |
| Royal Oak, MI, Hospital Finance Authority Rev. (William Beaumont Hospital), 8.25%, 2039  | 1,595,000    | 2,041,393    |
| Rutherford County, TN, Health & Educational Facilities Board Rev. (Ascension Health), 5%, 2040 (u)                                   | 12,500,000   | 13,723,375   |
| Salida, CO, Hospital District Rev., 5.25%, 2036  | 1,582,000    | 1,581,921    |
| Salt Lake City, UT, Hospital Authority Rev. (Intermountain Health Care), ETM, FRN, AMBAC, 12.946%, 2020 (c)(p)                       | 600,000      | 603,648      |
| Shelby County, TN, Educational & Hospital Facilities Board Hospital Rev. (Methodist Healthcare), 6.375%, 2012 (c)                    | 625,000      | 637,700      |
| Shelby County, TN, Educational & Housing Facilities Board Hospital Rev. (Methodist Healthcare), 6.25%, 2012 (c)                      | 185,000      | 188,683      |
| Shelby County, TN, Educational & Housing Facilities Board Hospital Rev. (Methodist Healthcare), 6.25%, 2012 (c)                      | 315,000      | 321,272      |
| Shelby County, TN, Educational & Housing Facilities Board Hospital Rev. (Methodist Healthcare), 6.375%, 2012 (c)                     | 375,000      | 382,620      |
| Skagit County, WA, Public Hospital District No. 001 Rev. (Skagit Valley Hospital), 6%, 2023  | 205,000      | 212,761      |
| South Carolina Jobs & Economic Development Authority, Hospital Facilities Rev. (Palmetto Health Alliance), 6.25%, 2031               | 835,000      | 874,036      |
| South Dakota Health & Educational Facilities Authority Rev. (Avera Health), A , 5%, 2042   | 175,000      | 184,049      |
| South Dakota Health & Educational Facilities Authority Rev. (Prairie Lakes Health Care System), 5.625%, 2013 (c)                     | 670,000      | 702,944      |
| South Lake County, FL, Hospital District Rev. (South Lake Hospital), A , 6%, 2029  | 255,000      | 279,554      |
| South Lake County, FL, Hospital District Rev. (South Lake Hospital), A , 6.25%, 2039   | 385,000      | 419,138      |
| Sullivan County, TN, Health, Educational & Housing Facilities Board Hospital Rev. (Wellmont Health Systems Project), C , 5.25%, 2036 | 1,115,000    | 1,147,034    |
| Sumner County, TN, Health, Educational & Housing Facilities Board Rev. (Sumner Regional Health Systems, Inc.), A , 5.5%, 2046 (a)(d) | 735,000      | 9,188        |

**Table of Contents***Portfolio of Investments (unaudited) continued*

| Issuer   | Shares/Par   | Value (\$)    |
|--|--------------|---------------|
| <b>Municipal Bonds - continued</b>   |              |               |
| <b>Healthcare Revenue - Hospitals - continued</b>  |              |               |
| Tallahassee, FL, Health Facilities Rev. (Tallahassee Memorial Healthcare, Inc.), 6.25%, 2020   | \$ 3,085,000 | \$ 3,090,646  |
| Tyler, TX, Health Facilities Development Corp. (East Texas Medical Center), A, 5.25%, 2032   | 985,000      | 991,058       |
| Tyler, TX, Health Facilities Development Corp. (East Texas Medical Center), A, 5.375%, 2037  | 810,000      | 818,627       |
| Upland, CA, COP (San Antonio Community Hospital), 6.375%, 2032   | 1,750,000    | 2,060,013     |
| Upper Illinois River Valley Development, Health Facilities Rev. (Morris Hospital), 6.625%, 2031                                      | 600,000      | 606,666       |
| Wapello County, IA, Hospital Authority Rev. (Ottumwa Regional Health Center), 6.375%, 2012 (c)                                       | 1,500,000    | 1,536,960     |
| Washington Health Care Facilities Authority Rev. (Virginia Mason Medical Center), A, 6.25%, 2042                                     | 1,400,000    | 1,509,172     |
| Weirton, WV, Municipal Hospital Building, Commission Rev. (Weirton Hospital Medical Center), 6.375%, 2031                            | 1,095,000    | 1,074,305     |
| West Contra Costa, CA, Healthcare District, AMBAC, 5.5%, 2029  | 195,000      | 200,661       |
| West Virginia Hospital Finance Authority, Hospital Rev. (Thomas Health System), 6.5%, 2038   | 905,000      | 916,738       |
| Wisconsin Health & Educational Facilities Authority Rev. (Aurora Health Care, Inc.), 6.875%, 2030                                    | 1,000,000    | 1,039,740     |
| Wisconsin Health & Educational Facilities Authority Rev. (Aurora Health Care, Inc.), A, 5%, 2026                                     | 320,000      | 351,386       |
| Wisconsin Health & Educational Facilities Authority Rev. (Aurora Health Care, Inc.), A, 5%, 2028                                     | 95,000       | 102,779       |
| Wisconsin Health & Educational Facilities Authority Rev. (Wheaton Franciscan Services), 5.25%, 2034                                  | 1,135,000    | 1,177,143     |
| Wisconsin Health & Educational Facilities Authority Rev. (Wheaton Franciscan Services), A, 5.25%, 2025                               | 745,000      | 757,427       |
| Yonkers, NY, Industrial Development Agency, Civic Facilities Rev. (St. Joseph's Hospital), C, 6.2%, 2020                             | 750,000      | 739,890       |
|  |              | \$ 95,774,782 |
| <b>Healthcare Revenue - Long Term Care - 13.3%</b>   |              |               |
| Abilene, TX, Health Facilities Development Corp., Retirement Facilities Rev. (Sears Methodist Retirement Systems, Inc.), A, 7%, 2033 | \$ 345,000   | \$ 316,748    |
| Arizona Health Facilities Authority Rev. (The Terraces Project), 7.75%, 2013 (c)   | 750,000      | 842,130       |
| Bell County, TX, Health Facility Development Corp. (Advanced Living Technologies, Inc.), 8%, 2036                                    | 3,400,000    | 2,928,624     |
| Bucks County, PA, Industrial Development Authority Retirement Community Rev. (Ann's Choice, Inc.), A, 6.125%, 2025                   | 430,000      | 434,171       |
| Bucks County, PA, Industrial Development Authority Retirement Community Rev. (Ann's Choice, Inc.), A, 6.25%, 2035                    | 290,000      | 291,511       |

**Table of Contents***Portfolio of Investments (unaudited) continued*

| <b>Issuer</b>   | <b>Shares/Par</b> | <b>Value (\$)</b> |
|---|-------------------|-------------------|
| <b>Municipal Bonds - continued</b>  |                   |                   |
| <b>Healthcare Revenue - Long Term Care - continued</b>  |                   |                   |
| Bucks County, PA, Industrial Development Authority Rev. (Lutheran Community Telford Center), 5.75%, 2027            | \$ 170,000        | \$ 167,504        |
| Bucks County, PA, Industrial Development Authority Rev. (Lutheran Community Telford Center), 5.75%, 2037            | 225,000           | 203,866           |
| Cambria County, PA, Industrial Development Authority Rev. (Beverly Enterprises, Inc.), ETM, 10%, 2012 (c)           | 80,000            | 80,950            |
| Chartiers Valley, PA, Industrial & Commercial Development Authority (Asbury Health Center Project), 5.75%, 2022     | 150,000           | 151,916           |
| Chester County, PA, Industrial Development Authority Rev. (RHA Nursing Home), 8.5%, 2032                            | 540,000           | 540,556           |
| Colorado Health Facilities Authority Rev. (American Baptist Homes), A, 5.9%, 2037                                   | 755,000           | 683,532           |
| Colorado Health Facilities Authority Rev. (Christian Living Communities Project), A, 5.75%, 2037                    | 375,000           | 377,400           |
| Colorado Health Facilities Authority Rev. (Covenant Retirement Communities, Inc.), B, 6.125%, 2033                  | 1,000,000         | 1,018,980         |
| Colorado Health Facilities Authority Rev. (Evangelical Lutheran), 6.9%, 2025  | 1,170,000         | 1,184,426         |
| Cumberland County, PA, Municipal Authority Rev. (Diakon Lutheran Social Ministries), 6.125%, 2029                   | 1,360,000         | 1,491,621         |
| Cumberland County, PA, Municipal Authority Rev. (Wesley), A, 7.25%, 2013 (c)  | 720,000           | 760,356           |
| Cumberland County, PA, Municipal Authority, Retirement Community Rev. (Wesley), A, 7.25%, 2013 (c)                  | 280,000           | 295,694           |
| Fulton County, GA, Residential Care Facilities, Elderly Authority Rev. (Canterbury Court), A, 6.125%, 2034          | 330,000           | 318,325           |
| Georgia Medical Center Hospital Authority Rev. (Spring Harbor Green Island Project), 5.25%, 2027                    | 1,000,000         | 955,620           |
| Georgia Medical Center Hospital Authority Rev. (Spring Harbor Green Island Project), 5.25%, 2037                    | 215,000           | 193,666           |
| Hawaii Department of Budget & Finance, Special Purpose Rev. (15 Craigsid Project), A, 8.75%, 2029                   | 105,000           | 123,405           |
| Hawaii Department of Budget & Finance, Special Purpose Rev. (15 Craigsid Project), A, 9%, 2044                      | 275,000           | 324,588           |
| Hawaii Department of Budget & Finance, Special Purpose Rev. (Kahala Nui Senior Living Community), 8%, 2033          | 500,000           | 530,880           |
| Huntsville-Redstone Village, AL, Special Care Facilities Financing Authority (Redstone Village Project), 5.5%, 2028 | 410,000           | 400,718           |
| Huntsville-Redstone Village, AL, Special Care Facilities Financing Authority (Redstone Village Project), 5.5%, 2043 | 440,000           | 377,150           |
| Illinois Finance Authority Rev. (Christian Homes, Inc.), 6.125%, 2027   | 850,000           | 899,360           |



**Table of Contents***Portfolio of Investments (unaudited) continued*

| Issuer  | Shares/Par | Value (\$) |
|---|------------|------------|
| <b>Municipal Bonds - continued</b>  |            |            |
| Healthcare Revenue - Long Term Care - continued   |            |            |
| Illinois Finance Authority Rev. (Evangelical Retirement Homes of Greater Chicago, Inc.), 7.25%, 2045    | \$ 500,000 | \$ 526,920 |
| Illinois Finance Authority Rev. (Franciscan Communities, Inc.), A, 5.5%, 2037                           | 800,000    | 670,688    |
| Illinois Finance Authority Rev. (Friendship Village), A, 5.375%, 2025                                   | 1,270,000  | 1,219,416  |
| Illinois Finance Authority Rev. (Landing at Plymouth Place), A, 6%, 2037                                | 490,000    | 386,865    |
| Illinois Finance Authority Rev. (Montgomery Place), A, 5.75%, 2038                                      | 520,000    | 491,863    |
| Illinois Finance Authority Rev. (The Clare at Water Tower), A-6, 6%, 2028 (a)(d)                        | 343,000    | 76,489     |
| Illinois Finance Authority Rev., Capital Appreciation, (The Clare at Water Tower), B, 0%, 2050 (a)      | 147,000    | 27,798     |
| Iowa Finance Authority, Health Care Facilities Rev. (Care Initiatives), A, 5.5%, 2025                   | 800,000    | 805,248    |
| Iowa Finance Authority, Health Care Facilities Rev. (Care Initiatives), B, 5.75%, 2018                  | 680,000    | 680,564    |
| James City County, VA, Economic Development (WindsorMeade Project), A, 5.4%, 2027                       | 195,000    | 165,789    |
| James City County, VA, Economic Development (WindsorMeade Project), A, 5.5%, 2037                       | 785,000    | 621,712    |
| Kentucky Economic Development Finance Authority Rev. (Masonic Home Independent Living II), 7.25%, 2041  | 250,000    | 267,050    |
| Kentucky Economic Development Finance Authority Rev. (Masonic Home Independent Living II), 7.375%, 2046 | 200,000    | 213,922    |
| Lenexa, KS, Health Care Facilities Rev. (Lakeview Village, Inc.), 5.375%, 2027                          | 315,000    | 296,563    |
| Lenexa, KS, Health Care Facilities Rev. (Lakeview Village, Inc.), 7.125%, 2029                          | 345,000    | 365,372    |
| Maryland Health & Higher Educational Facilities Authority Rev. (Charlestown Community), 6.25%, 2041     | 475,000    | 526,856    |
| Massachusetts Development Finance Agency Rev. (Adventcare), A, 6.75%, 2037                              | 1,270,000  | 1,289,545  |
| Massachusetts Development Finance Agency Rev. (Linden Ponds, Inc.), A-1, 6.25%, 2031                    | 239,410    | 194,911    |
| Massachusetts Development Finance Agency Rev. (Linden Ponds, Inc.), A-1, 6.25%, 2039                    | 59,939     | 46,084     |
| Massachusetts Development Finance Agency Rev. (Linden Ponds, Inc.), A-2, 5.5%, 2046                     | 15,996     | 10,706     |
| Massachusetts Development Finance Agency Rev. (Linden Ponds, Inc.), Capital Appreciation, B, 0%, 2056   | 79,566     | 909        |

**Table of Contents***Portfolio of Investments (unaudited) continued*

| Issuer  | Shares/Par | Value (\$) |
|---|------------|------------|
| <b>Municipal Bonds - continued</b>  |            |            |
| Healthcare Revenue - Long Term Care - continued   |            |            |
| Massachusetts Development Finance Agency Rev. (The Groves in Lincoln), A, 7.75%, 2039                                 | \$ 150,000 | \$ 151,689 |
| Massachusetts Development Finance Agency Rev. (The Groves in Lincoln), A, 7.875%, 2044                                | 225,000    | 228,440    |
| Montgomery County, PA, Higher Education & Health Authority Rev. (AHF/Montgomery), 6.875%, 2036                        | 1,145,000  | 1,142,905  |
| Montgomery County, PA, Industrial Development Authority Rev. (Whitemarsh Continuing Care), 6.125%, 2028               | 250,000    | 248,848    |
| Montgomery County, PA, Industrial Development Authority Rev. (Whitemarsh Continuing Care), 6.25%, 2035                | 510,000    | 502,636    |
| New Jersey Economic Development Authority Rev. (Lions Gate), A, 5.875%, 2037  | 530,000    | 515,499    |
| New Jersey Economic Development Authority Rev. (Seabrook Village, Inc.), 5.25%, 2036                                  | 715,000    | 691,069    |
| Norfolk, VA, Redevelopment & Housing Authority Rev. (Fort Norfolk Retirement Community), A, 6%, 2025                  | 215,000    | 215,348    |
| Norfolk, VA, Redevelopment & Housing Authority Rev. (Fort Norfolk Retirement Community), A, 6.125%, 2035              | 330,000    | 330,300    |
| Pell City, AL, Special Care Facilities, Financing Authority Rev. (Noland Health Services, Inc.), 5%, 2039             | 290,000    | 297,990    |
| Sarasota County, FL, Health Facility Authority Rev. (Sarasota Manatee), 5.75%, 2037                                   | 490,000    | 367,897    |
| Sarasota County, FL, Health Facility Authority Rev. (Sarasota Manatee), 5.75%, 2045                                   | 105,000    | 76,759     |
| Shelby County, TN, Health, Educational & Housing Facilities Board Rev. (Germantown Village), A, 7.25%, 2034           | 665,000    | 666,702    |
| South Carolina Jobs & Economic Development Authority Rev. (Woodlands at Furman), A, 6%, 2032                          | 367,169    | 275,850    |
| South Carolina Jobs & Economic Development Authority Rev. (Woodlands at Furman), A, 6%, 2047                          | 335,086    | 234,781    |
| South Carolina Jobs & Economic Development Authority Rev. (Woodlands at Furman), Capital Appreciation, B, 0%, 2047    | 157,358    | 4,993      |
| South Carolina Jobs & Economic Development Authority Rev. (Woodlands at Furman), Capital Appreciation, B, 0%, 2047    | 143,608    | 4,557      |
| St. John's County, FL, Industrial Development Authority Rev. (Presbyterian Retirement), A, 6%, 2045                   | 1,565,000  | 1,687,070  |
| Sterling, IL (Hoosier Care), 7.125%, 2034   | 650,000    | 649,942    |
| Suffolk County, NY, Industrial Development Agency (Medford Hamlet Assisted Living), 6.375%, 2039                      | 475,000    | 436,634    |
| Tarrant County, TX, Cultural Education Facilities Finance Corp. Retirement Facility (Air Force Village), 6.125%, 2029 | 115,000    | 126,210    |
| Tarrant County, TX, Cultural Education Facilities Finance Corp. Retirement Facility (Air Force Village), 5.125%, 2037 | 365,000    | 355,207    |

**Table of Contents***Portfolio of Investments (unaudited) continued*

| Issuer  | Shares/Par | Value (\$)    |
|---|------------|---------------|
| <b>Municipal Bonds - continued</b>  |            |               |
| <b>Healthcare Revenue - Long Term Care - continued</b>  |            |               |
| Tarrant County, TX, Cultural Education Facilities Finance Corp. Retirement Facility (Air Force Village), 6.375%, 2044                       | \$ 780,000 | \$ 842,049    |
| Tarrant County, TX, Cultural Education Facilities Finance Corp. Retirement Facility (Stayton at Museum Way), 8.25%, 2044                    | 1,500,000  | 1,613,715     |
| Tempe, AZ, Industrial Development Authority Rev. (Friendship Village), A, 6.25%, 2042   | 225,000    | 233,017       |
| Tempe, AZ, Industrial Development Authority Rev. (Friendship Village), A, 6.25%, 2046   | 170,000    | 175,804       |
| Travis County, TX, Health Facilities Development Corp. Rev. (Westminster Manor Health), 7%, 2030  | 245,000    | 278,031       |
| Travis County, TX, Health Facilities Development Corp. Rev. (Westminster Manor Health), 7.125%, 2040  | 370,000    | 415,436       |
| Travis County, TX, Health Facilities Development Corp., Retirement Facilities Rev. (Querencia Barton Creek), 5.5%, 2025                     | 460,000    | 454,807       |
| Ulster County, NY, Industrial Development Agency (Woodland Pond), A, 6%, 2037   | 1,075,000  | 747,759       |
|   |            | \$ 38,750,911 |
| <b>Healthcare Revenue - Other - 0.3%</b>  |            |               |
| Koyukuk, AK, Tanana Chiefs Conference, Healthcare Facilities Project, 7.75%, 2041   | \$ 705,000 | \$ 745,100    |
| <b>Human Services - 2.4%</b>  |            |               |
| Alaska Industrial Development & Export Authority Community Provider Rev. (Boys & Girls Home of Alaska, Inc.), 5.875%, 2027 (a)              | \$ 210,000 | \$ 112,665    |
| Alaska Industrial Development & Export Authority Community Provider Rev. (Boys & Girls Home of Alaska, Inc.), 6%, 2036 (a)                  | 325,000    | 174,363       |
| Greenville County, SC, Hospital Rev. (Chestnut Hill), A, 8%, 2015   | 1,055,000  | 1,067,090     |
| Louisiana Local Government, Environmental Facilities & Community Development Authority Rev. (CDF Healthcare), A, 7%, 2036                   | 490,000    | 484,904       |
| Louisiana Local Government, Environmental Facilities & Community Development Authority Rev. (CDF Healthcare), C, 7%, 2036                   | 375,000    | 371,100       |
| Louisiana Local Government, Environmental Facilities & Community Development Authority Rev. (Westside Rehab Center Project), A, 6.85%, 2036 | 1,100,000  | 1,102,728     |
| Louisiana Local Government, Environmental Facilities & Community Development Authority Rev. (Westside Rehab Center Project), B, 6.5%, 2013  | 115,000    | 115,551       |
| Massachusetts Development Finance Agency Rev. (Evergreen Center, Inc.), 5.5%, 2035  | 620,000    | 623,143       |
| New York, NY, Industrial Development Agency, Civic Facility Rev. (A Very Special Place), A, 5.75%, 2029                                     | 985,000    | 908,515       |

**Table of Contents***Portfolio of Investments (unaudited) continued*

| Issuer  | Shares/Par   | Value (\$)    |
|---|--------------|---------------|
| <b>Municipal Bonds - continued</b>  |              |               |
| <b>Human Services - continued</b>   |              |               |
| New York, NY, Industrial Development Agency, Civic Facility Rev. (Special Needs Facilities), 6.5%, 2017       | \$ 1,030,000 | \$ 1,033,893  |
| Orange County, FL, Health Facilities Authority Rev. (GF/Orlando Healthcare Facilities), 9%, 2031              | 1,000,000    | 1,000,110     |
| Osceola County, FL, Industrial Development Authority Rev. (Community Provider), 7.75%, 2017                   | 165,000      | 165,893       |
|   |              | \$ 7,159,955  |
| <b>Industrial Revenue - Airlines - 7.0%</b>   |              |               |
| Clayton County, GA, Development Authority Special Facilities Rev. (Delta Airlines, Inc.), A , 8.75%, 2029     | \$ 555,000   | \$ 662,925    |
| Clayton County, GA, Development Authority Special Facilities Rev. (Delta Airlines, Inc.), B , 9%, 2035        | 285,000      | 308,598       |
| Denver, CO, City & County Airport Rev. (United Airlines), 5.25%, 2032   | 3,735,000    | 3,616,675     |
| Denver, CO, City & County Airport Rev. (United Airlines), 5.75%, 2032   | 1,600,000    | 1,618,416     |
| Houston, TX, Airport Systems Rev., Special Facilities (Continental Airlines, Inc.), 6.625%, 2038              | 470,000      | 503,520       |
| Houston, TX, Airport Systems Rev., Special Facilities (Continental Airlines, Inc.), E , 6.75%, 2029           | 2,940,000    | 2,969,135     |
| Houston, TX, Airport Systems Rev., Special Facilities (Continental Airlines, Inc.), E , 7%, 2029              | 385,000      | 388,831       |
| Los Angeles, CA, Regional Airport Lease Rev. (American Airlines, Inc.), C , 7.5%, 2024 (a)(d)                 | 850,000      | 848,827       |
| New Jersey Economic Development Authority, Special Facilities Rev. (Continental Airlines, Inc.), 6.25%, 2029  | 1,300,000    | 1,305,785     |
| New Jersey Economic Development Authority, Special Facilities Rev. (Continental Airlines, Inc.), 7.2%, 2030   | 1,595,000    | 1,601,061     |
| New York, NY, City Industrial Development Agencies Rev. (American Airlines, Inc.), 7.625%, 2025 (d)(q)        | 5,485,000    | 5,628,707     |
| New York, NY, City Industrial Development Agencies Rev. (American Airlines, Inc.), 7.75%, 2031 (d)(q)         | 1,025,000    | 1,051,855     |
|   |              | \$ 20,504,335 |
| <b>Industrial Revenue - Chemicals - 2.0%</b>  |              |               |
| Brazos River, TX, Harbor Navigation District (Dow Chemical Co.), A , 5.95%, 2033                              | \$ 2,000,000 | \$ 2,156,900  |
| Brazos River, TX, Harbor Navigation District (Dow Chemical Co.), B-2 , 4.95%, 2033                            | 75,000       | 78,860        |
| Louisiana Environmental Facilities & Community Development Authority Rev. (Westlake Chemical), 6.75%, 2032    | 1,000,000    | 1,101,300     |
| Louisiana Environmental Facilities & Community Development Authority Rev. (Westlake Chemical), A , 6.5%, 2029 | 610,000      | 694,107       |

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*Portfolio of Investments (unaudited) continued*

| Issuer   | Shares/Par   | Value (\$)   |
|--|--------------|--------------|
| <b>Municipal Bonds - continued</b>   |              |              |
| <b>Industrial Revenue - Chemicals - continued</b>  |              |              |
| Red River Authority, TX, Pollution Control Rev. (Celanese Project) B , 6.7%, 2030                                  | \$ 1,920,000 | \$ 1,941,101 |
|  |              | \$ 5,972,268 |
| <b>Industrial Revenue - Environmental Services - 1.3%</b>  |              |              |
| California Pollution Control Financing Authority, Solid Waste Disposal Rev. (Waste Management, Inc.), A , 5%, 2022 | \$ 695,000   | \$ 752,254   |
| Gulf Coast Waste Disposal Authority (Waste Management, Inc.), 5.2%, 2028   | 440,000      | 461,406      |
| Henrico County, VA, Industrial Development Authority Rev. (Browning Ferris, Inc.), 5.45%, 2014                     | 1,750,000    | 1,835,470    |
| Maine Finance Authority Solid Waste Disposal Rev. (Casella Waste Systems, Inc.), 6.25%, 2025 (b)                   | 705,000      | 708,356      |
|  |              | \$ 3,757,486 |
| <b>Industrial Revenue - Other - 3.3%</b>   |              |              |
| California Statewide Communities Development Authority Facilities (Microgy Holdings Project), 9%, 2038 (a)(d)      | \$ 12,624    | \$ 126       |
| Gulf Coast, TX, Industrial Development Authority Rev. (Microgy Holdings LLC Project), 7%, 2036 (a)(d)              | 224,775      | 2,248        |
| Gulf Coast, TX, Industrial Development Authority Rev. (Valero Energy Corp.), 5.6%, 2031                            | 1,750,000    | 1,750,000    |
| Gulf Coast, TX, Waste Disposal Rev. (Valero Energy Corp.), 6.65%, 2032   | 1,000,000    | 1,000,000    |
| Houston, TX, Industrial Development Corp. (United Parcel Service, Inc.), 6%, 2023                                  | 90,000       | 83,882       |
| New Jersey Economic Development Authority Rev. (GMT Realty LLC), B , 6.875%, 2037                                  | 430,000      | 422,681      |
| New Jersey Economic Development Authority Rev. (GMT Realty LLC), C , 6.5%, 2015                                    | 615,000      | 622,712      |
| New York, NY, City Industrial Development Agency Rev., Liberty Bonds (IAC/InterActiveCorp), 5%, 2035               | 620,000      | 627,911      |
| Park Creek Metropolitan District, CO, Rev. (Custodial Receipts), CR-1 , 7.875%, 2032 (b)(n)                        | 1,270,000    | 1,315,377    |
| Park Creek Metropolitan District, CO, Rev. (Custodial Receipts), CR-2 , 7.875%, 2032 (b)(n)                        | 580,000      | 600,723      |
| Philadelphia, PA, Industrial Development Authority Rev. (Host Marriott LP), 7.75%, 2017                            | 3,255,000    | 3,262,194    |
|  |              | \$ 9,687,854 |
| <b>Industrial Revenue - Paper - 2.2%</b>   |              |              |
| Butler, AL, Industrial Development Board, Solid Waste Disposal Rev. (Georgia-Pacific Corp.), 5.75%, 2028           | \$ 155,000   | \$ 157,888   |

**Table of Contents***Portfolio of Investments (unaudited) continued*

| Issuer   | Shares/Par   | Value (\$)   |
|--|--------------|--------------|
| <b>Municipal Bonds - continued</b>   |              |              |
| <b>Industrial Revenue - Paper - continued</b>  |              |              |
| Cass County, TX, Industrial Development Corp. (International Paper Co.), A, 4.625%, 2027                               | \$ 2,150,000 | \$ 2,157,719 |
| Escambia County, FL, Environmental Improvement Rev. (International Paper Co.), A, 4.75%, 2030                          | 525,000      | 521,141      |
| Lowndes County, MS, Solid Waste Disposal & Pollution Control Rev. (Weyerhaeuser Co.), 6.8%, 2022                       | 2,000,000    | 2,232,140    |
| Rockdale County, GA, Development Authority Project Rev. (Visy Paper Project), A, 6.125%, 2034                          | 640,000      | 658,573      |
| Selma, AL, Industrial Development Board Rev., Gulf Opportunity Zone (International Paper Co.), A, 5.375%, 2035         | 565,000      | 596,798      |
| West Point, VA, Industrial Development Authority, Solid Waste Disposal Rev. (Chesapeake Corp.), 6.25%, 2019 (a)(d)     | 1,870,000    | 39,270       |
| West Point, VA, Industrial Development Authority, Solid Waste Disposal Rev. (Chesapeake Corp.), A, 6.375%, 2019 (a)(d) | 700,000      | 14,700       |
|  |              | \$ 6,378,229 |
| <b>Miscellaneous Revenue - Entertainment &amp; Tourism - 0.9%</b>  |              |              |
| Brooklyn, NY, Arena Local Development Corp. (Barclays Center Project), 6%, 2030  | \$ 230,000   | \$ 253,009   |
| Brooklyn, NY, Arena Local Development Corp. (Barclays Center Project), 6.25%, 2040                                     | 150,000      | 165,884      |
| Fort Sill Apache Tribe, OK, Economic Development Authority, Gaming Enterprise, A, 8.5%, 2026 (n)                       | 520,000      | 544,383      |
| Harris County, Houston, TX, Sports Authority, Special Rev., A, NATL, 5%, 2025  | 885,000      | 871,309      |
| Seminole Tribe, FL, Special Obligation Rev., A, 5.25%, 2027 (n)  | 515,000      | 517,137      |
| Seneca Nation Indians, NY, Capital Improvements Authority, Special Obligation, 5%, 2023 (n)                            | 275,000      | 272,844      |
|  |              | \$ 2,624,566 |
| <b>Miscellaneous Revenue - Other - 4.5%</b>  |              |              |
| Austin, TX, Convention Center (Convention Enterprises, Inc.), A, 5.25%, 2015   | \$ 500,000   | \$ 537,040   |
| Austin, TX, Convention Center (Convention Enterprises, Inc.), A, SYNCORA, 5.25%, 2017                                  | 215,000      | 237,265      |
| Austin, TX, Convention Center (Convention Enterprises, Inc.), A, SYNCORA, 5.25%, 2020                                  | 170,000      | 182,232      |
| Austin, TX, Convention Center (Convention Enterprises, Inc.), A, SYNCORA, 5.25%, 2024                                  | 330,000      | 345,081      |
| Austin, TX, Convention Center (Convention Enterprises, Inc.), A, SYNCORA, 5%, 2034                                     | 200,000      | 200,234      |
| Baker, FL, Correctional Development Corp. (Baker County Detention Center), 7.5%, 2030                                  | 440,000      | 401,460      |

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| <b>Municipal Bonds - continued</b>  |            |               |
| <b>Miscellaneous Revenue - Other - continued</b>  |            |               |
| Citizens Property Insurance Corp., FL, A-1, 5%, 2019  | \$ 245,000 | \$ 276,865    |
| Citizens Property Insurance Corp., FL, A-1, 5%, 2020  | 1,285,000  | 1,450,418     |
| Cleveland-Cuyahoga County, OH, Port Authority Rev., 7%, 2040  | 235,000    | 249,704       |
| Cleveland-Cuyahoga County, OH, Port Authority Rev. (Cleveland City), B, 4.5%, 2030                                  | 210,000    | 176,146       |
| Cleveland-Cuyahoga County, OH, Port Authority Rev. (Fairmount), B, 5.125%, 2025                                     | 145,000    | 145,075       |
| Columbus, OH, Franklin County Finance Authority Development Rev., 6%, 2035  | 700,000    | 715,148       |
| Dayton Montgomery County, OH, Port Authority Rev. (Parking Garage), 6.125%, 2024                                    | 1,130,000  | 1,138,419     |
| District of Columbia Rev. (American Society Hematology), 5%, 2036   | 85,000     | 88,924        |
| District of Columbia Rev. (American Society Hematology), 5%, 2042   | 65,000     | 67,355        |
| Hardeman County, TN, Correctional Facilities Rev., 7.75%, 2017  | 1,350,000  | 1,353,213     |
| Houston, TX, Industrial Development Corp. Rev. (Aero Syracuse LLC), 6.375%, 2023                                    | 75,000     | 74,994        |
| Massachusetts Port Authority Facilities Rev. (Conrac Project), A, 5.125%, 2041                                      | 65,000     | 69,632        |
| New Orleans, LA, Aviation Board Gulf Opportunity Zone CFC Rev. (Consolidated Rental Car), A, 6.25%, 2030            | 455,000    | 501,183       |
| New York Liberty Development Corp., Liberty Rev. (One Bryant Park LLC), 6.375%, 2049                                | 1,065,000  | 1,189,243     |
| New York Liberty Development Corp., Liberty Rev. (World Trade Center Project), 5%, 2044                             | 895,000    | 955,833       |
| Riversouth, OH, Authority Rev. (Lazarus Building), A, 5.75%, 2027   | 1,125,000  | 1,124,944     |
| Southwestern Illinois Development Authority Rev., Solid Waste Disposal Rev., 5.9%, 2014                             | 100,000    | 100,244       |
| Summit County, OH, Port Authority Building Rev. (Flats East Development Recovery Zone Facility Bonds), 6.875%, 2040 | 85,000     | 90,316        |
| Summit County, OH, Port Authority Building Rev. (Seville Project), A, 5.1%, 2025                                    | 160,000    | 150,914       |
| Summit County, OH, Port Authority Building Rev. (Twinsburg Township), D, 5.125%, 2025                               | 145,000    | 141,684       |
| Summit County, OH, Port Authority Building Rev. (Workforce Policy Board), F, 4.875%, 2025                           | 915,000    | 835,807       |
| Texas Midwest Public Facilities Corp. Rev. (Secure Treatment Facilities Project), 9%, 2030 (a)(d)                   | 395,000    | 213,300       |
|   |            | \$ 13,012,673 |
| <b>Multi-Family Housing Revenue - 2.2%</b>  |            |               |
| Bay County, FL, Housing Finance Authority, Multi-Family Rev. (Andrews Place II Apartments), AGM, 5%, 2035           | \$ 210,000 | \$ 211,195    |

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| Issuer  | Shares/Par   | Value (\$)   |
|---|--------------|--------------|
| <b>Municipal Bonds - continued</b>  |              |              |
| <b>Multi-Family Housing Revenue - continued</b>   |              |              |
| Charter Mac Equity Issuer Trust, FHLMC, 6%, 2052 (n)  | \$ 2,000,000 | \$ 2,228,920 |
| Indianapolis, IN, Multi-Family Rev. (Cambridge Station Apartments II), FNMA, 5.25%, 2039 (b)                | 435,000      | 440,163      |
| Mississippi Home Corp., Rev. (Kirkwood Apartments), 6.8%, 2037 (d)(q)                                       | 1,095,000    | 693,288      |
| MuniMae TE Bond Subsidiary LLC, 5.4%, 2049 (z)  | 1,000,000    | 660,130      |
| MuniMae TE Bond Subsidiary LLC, FRN, 7.5%, 2049 (n)   | 1,638,988    | 1,599,341    |
| North Charleston, SC, Housing Authority Rev. (Horizon Village), A, GNMA, 5.15%, 2048                        | 445,000      | 451,550      |
|   |              | \$ 6,284,587 |
| <b>Parking - 0.2%</b>   |              |              |
| Boston, MA, Metropolitan Transit Parking Corp., Systemwide Parking Rev., 5.25%, 2036                        | \$ 460,000   | \$ 506,313   |
| <b>Port Revenue - 0.2%</b>  |              |              |
| Maryland Economic Development Corp. Rev. (Port America Chesapeake Terminal Project), B, 5.375%, 2025        | \$ 195,000   | \$ 209,309   |
| Maryland Economic Development Corp. Rev. (Port America Chesapeake Terminal Project), B, 5.75%, 2035         | 375,000      | 398,606      |
|   |              | \$ 607,915   |
| <b>Sales &amp; Excise Tax Revenue - 3.8%</b>  |              |              |
| Chicago, IL, Transit Authority Sales Tax Receipts Rev., 5.25%, 2029   | \$ 275,000   | \$ 312,430   |
| Chicago, IL, Transit Authority Sales Tax Receipts Rev., 5.25%, 2030   | 550,000      | 622,001      |
| Chicago, IL, Transit Authority Sales Tax Receipts Rev., 5.25%, 2031   | 105,000      | 118,383      |
| Chicago, IL, Transit Authority Sales Tax Receipts Rev., 5.25%, 2040   | 990,000      | 1,090,940    |
| Colorado Regional Transportation District, Private Activity Rev. (Denver Transportation Partners), 6%, 2034 | 1,180,000    | 1,298,460    |
| Colorado Regional Transportation District, Private Activity Rev. (Denver Transportation Partners), 6%, 2041 | 590,000      | 647,112      |
| Massachusetts Bay Transportation Authority, Sales Tax Rev., A, 5%, 2024                                     | 2,150,000    | 2,700,293    |
| Puerto Rico Infrastructure Financing Authority, Special Tax Rev., B, 5%, 2037                               | 1,000,000    | 1,014,810    |
| Puerto Rico Infrastructure Financing Authority, Special Tax Rev., B, 5%, 2041                               | 1,000,000    | 1,010,410    |
| Puerto Rico Sales Tax Financing Corp., Sales Tax Rev., A, 5.375%, 2039                                      | 395,000      | 426,201      |
| Puerto Rico Sales Tax Financing Corp., Sales Tax Rev., A, 5.5%, 2042  | 350,000      | 378,350      |



**Table of Contents***Portfolio of Investments (unaudited) continued*

| Issuer   | Shares/Par | Value (\$)    |
|--|------------|---------------|
| <b>Municipal Bonds - continued</b>   |            |               |
| <b>Sales &amp; Excise Tax Revenue - continued</b>  |            |               |
| Puerto Rico Sales Tax Financing Corp., Sales Tax Rev., C , 5.25%, 2041   | \$ 180,000 | \$ 193,174    |
| Puerto Rico Sales Tax Financing Corp., Sales Tax Rev., Capital Appreciation, A , AMBAC, 0%, 2054                                 | 11,385,000 | 892,015       |
| Utah Transit Authority Sales Tax Rev., Capital Appreciation, A , NATL, 0%, 2028  | 950,000    | 431,861       |
|  |            | \$ 11,136,440 |
| <b>Single Family Housing - Local - 0.2%</b>  |            |               |
| Nortex, TX, Housing Finance Corp., Single Family Mortgage Rev., B , 5.5%, 2038   | \$ 15,000  | \$ 13,605     |
| Sedgwick & Shawnee Counties, KS, Single Family Housing Rev., A , GNMA, 5.9%, 2035  | 140,000    | 147,080       |
| Sedgwick & Shawnee Counties, KS, Single Family Housing Rev., A , GNMA, 6.25%, 2035   | 50,000     | 52,831        |
| Sedgwick & Shawnee Counties, KS, Single Family Housing Rev., A-1 , GNMA, 5.75%, 2037   | 40,000     | 41,930        |
| Sedgwick & Shawnee Counties, KS, Single Family Housing Rev., A-2 , GNMA, 5.75%, 2037   | 125,000    | 129,899       |
| Sedgwick & Shawnee Counties, KS, Single Family Housing Rev., A-5 , GNMA, 5.9%, 2037  | 75,000     | 77,615        |
|  |            | \$ 462,960    |
| <b>Single Family Housing - State - 0.4%</b>  |            |               |
| Colorado Housing & Finance Authority Rev., C-2 , 5.9%, 2023  | \$ 90,000  | \$ 94,585     |
| Colorado Housing & Finance Authority Rev., C-2 , FHA, 6.6%, 2032   | 75,000     | 78,959        |
| Colorado Housing & Finance Authority Rev., C-3 , FHA, 6.375%, 2033   | 30,000     | 31,222        |
| Colorado Housing & Finance Authority Rev., D-2 , 6.9%, 2029  | 130,000    | 134,705       |
| Texas Affordable Housing Corp. (Single Family Mortgage), B , GNMA, 5.25%, 2039   | 700,000    | 729,330       |
|  |            | \$ 1,068,801  |
| <b>Solid Waste Revenue - 1.1%</b>  |            |               |
| Massachusetts Development Finance Agency, Resource Recovery Rev. (Ogden Haverhill Associates), A , 6.7%, 2014                    | \$ 85,000  | \$ 85,078     |
| Massachusetts Development Finance Agency, Resource Recovery Rev. (Ogden Haverhill Associates), A , 5.6%, 2019                    | 2,850,000  | 2,858,408     |
| Pennsylvania Economic Development Financing Authority, Sewer Sludge Disposal Rev. (Philadelphia Biosolids Facility), 6.25%, 2032 | 145,000    | 160,487       |
|  |            | \$ 3,103,973  |

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*Portfolio of Investments (unaudited) continued*

| Issuer   | Shares/Par | Value (\$)   |
|--|------------|--------------|
| <b>Municipal Bonds - continued</b>   |            |              |
| <b>State &amp; Agency - Other - 0.3%</b>   |            |              |
| Commonwealth of Puerto Rico (Mepsi Campus), A , 6.5%, 2037   | \$ 900,000 | \$ 909,720   |
| <b>State &amp; Local Agencies - 0.7%</b>   |            |              |
| Golden State, CA, Tobacco Securitization Corp., Tobacco Settlement Rev., Enhanced, A , FGIC, 5%, 2035                    | \$ 220,000 | \$ 223,311   |
| Guam Government Department of Education (John F. Kennedy High School), A , COP, 6.875%, 2040                             | 620,000    | 665,372      |
| Philadelphia, PA, Municipal Authority Rev., 6.5%, 2034   | 260,000    | 281,593      |
| Puerto Rico Public Finance Corp., Commonwealth Appropriations, B , 6%, 2026  | 370,000    | 424,534      |
| Puerto Rico Public Finance Corp., Commonwealth Appropriations, B , 5.5%, 2031  | 540,000    | 575,386      |
|  |            | \$ 2,170,196 |
| <b>Student Loan Revenue - 1.1%</b>   |            |              |
| Access to Loans for Learning, CA, Student Loan Rev., 7.95%, 2030   | \$ 650,000 | \$ 650,299   |
| Iowa Student Loan Liquidity Corp., A-2 , 5.5%, 2025  | 335,000    | 372,054      |
| Iowa Student Loan Liquidity Corp., A-2 , 5.6%, 2026  | 335,000    | 371,203      |
| Iowa Student Loan Liquidity Corp., A-2 , 5.7%, 2027  | 40,000     | 44,359       |
| Iowa Student Loan Liquidity Corp., A-2 , 5.75%, 2028   | 675,000    | 746,557      |
| Massachusetts Educational Financing Authority, Education Loan Rev., H , ASSD GTY, 6.35%, 2030                            | 810,000    | 890,036      |
|  |            | \$ 3,074,508 |
| <b>Tax - Other - 1.4%</b>  |            |              |
| Hudson Yards, NY, Infrastructure Corp. Rev., A , 5%, 2047  | \$ 710,000 | \$ 734,026   |
| Hudson Yards, NY, Infrastructure Corp. Rev., A , 5.75%, 2047   | 620,000    | 701,617      |
| New Jersey Economic Development Authority Rev., 5%, 2025   | 220,000    | 240,253      |
| New Jersey Economic Development Authority Rev., 5%, 2026   | 110,000    | 118,789      |
| New Jersey Economic Development Authority Rev., 5%, 2028   | 45,000     | 48,634       |
| New Jersey Economic Development Authority Rev., 5%, 2029   | 45,000     | 48,209       |
| New York Dormitory Authority, State Personal Income Tax Rev., C , 5%, 2034 (f)   | 1,670,000  | 1,892,127    |
| Virgin Islands Public Finance Authority Rev. (Diageo Project), A , 6.75%, 2037   | 395,000    | 445,426      |
|  |            | \$ 4,229,081 |
| <b>Tax Assessment - 4.2%</b>   |            |              |
| Anne Arundel County, MD, Special Obligation (National Business Park-North Project), 6.1%, 2040                           | \$ 265,000 | \$ 274,826   |
| Arborwood Community Development District, FL, Capital Improvement Rev. (Master Infrastructure Projects), A , 5.35%, 2036 | 580,000    | 415,216      |

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**Table of Contents***Portfolio of Investments (unaudited) continued*

| Issuer  | Shares/Par | Value (\$) |
|---|------------|------------|
| <b>Municipal Bonds - continued</b>  |            |            |
| <b>Tax Assessment - continued</b>   |            |            |
| Arborwood Community Development District, FL, Special Assessment (Master Infrastructure Projects), B , 5.1%, 2014 | \$ 190,000 | \$ 153,505 |
| Atlanta, GA, Tax Allocation (Eastside Project), B , 5.6%, 2030  | 815,000    | 825,750    |
| Atlanta, GA, Tax Allocation (Princeton Lakes Project), 5.5%, 2031   | 470,000    | 466,710    |
| Baltimore, MD, Special Obligation, (East Baltimore Research Park Project), A , 7%, 2038                           | 715,000    | 759,831    |
| Capital Region Community Development District, FL, Capital Improvement Rev., A , 7%, 2039                         | 625,000    | 558,531    |
| Concord Station Community Development District, FL, Special Assessment, 5%, 2015                                  | 110,000    | 108,230    |
| Du Page County, IL, Special Service Area No. 31 Special Tax (Monarch Landing Project), 5.625%, 2036               | 305,000    | 270,834    |
| Fishhawk Community Development District, FL, 7.04%, 2014  | 30,000     | 30,116     |
| Heritage Harbour North Community Development District, FL, Capital Improvement Rev., 6.375%, 2038                 | 560,000    | 515,234    |
| Homestead, Community Development District, FL, Special Assessment, A , 6%, 2037                                   | 660,000    | 420,156    |
| Homestead, Community Development District, FL, Special Assessment, B , 5.9%, 2013                                 | 250,000    | 151,358    |
| Killarney Community Development District, FL, Special Assessment, B , 5.125%, 2009 (a)(d)                         | 170,000    | 76,500     |
| Lancaster County, SC, Assessment Rev. (Sun City Carolina Lakes), 5.45%, 2037                                      | 100,000    | 89,729     |
| Legends Bay Community Development District, FL, A , 5.5%, 2014  | 415,000    | 351,372    |
| Legends Bay Community Development District, FL, A , 5.875%, 2038  | 355,000    | 264,102    |
| Main Street Community Development District, FL, A , 6.8%, 2038  | 545,000    | 501,574    |
| Naturewalk Community Development District, FL, Capital Improvement Rev., B , 5.3%, 2016 (d)(q)                    | 650,000    | 390,000    |
| New Port Tampa Bay Community Development District, FL, Special Assessment, B , 5.3%, 2012 (a)(d)                  | 440,000    | 107,800    |
| Ohio County, WV, Commission Tax Increment Rev. (Fort Henry Centre), A , 5.85%, 2034                               | 235,000    | 242,786    |
| Old Palm Community Development District, FL, Special Assessment (Palm Beach Gardens), B , 5.375%, 2014            | 210,000    | 205,752    |
| OTC Community Development District, FL, Special Assessment, A , 5.3%, 2038  | 930,000    | 882,291    |
| Overland Park, KS, Special Assessment (Tallgrass Creek), 4.85%, 2016  | 170,000    | 164,135    |
| Overland Park, KS, Special Assessment (Tallgrass Creek), 5.125%, 2028   | 592,000    | 500,749    |
| Panther Trace II, Community Development District, FL, Special Assessment, 5.125%, 2013                            | 215,000    | 191,750    |

**Table of Contents***Portfolio of Investments (unaudited) continued*

| Issuer  | Shares/Par   | Value (\$)    |
|---|--------------|---------------|
| <b>Municipal Bonds - continued</b>  |              |               |
| <b>Tax Assessment - continued</b>   |              |               |
| Parker Road Community Development District, FL, A, 5.6%, 2038   | \$ 320,000   | \$ 138,403    |
| Parkway Center Community Development District, FL, Special Assessment, B, 5.625%, 2014                  | 745,000      | 670,284       |
| Paseo Community Development District, FL, B, 4.875%, 2010 (a)(d)  | 210,000      | 2             |
| Paseo Community Development District, FL, Capital Improvement Rev., Capital Appreciation, A-2, 0%, 2036 | 510,000      | 124,328       |
| Paseo Community Development District, FL, Special Assessment, A-1, 5.4%, 2036                           | 40,000       | 40,142        |
| Prince George's County, MD, Special Obligation (National Harbor Project), 5.2%, 2034                    | 245,000      | 238,816       |
| Sterling Hill Community Development District, FL, Special Assessment, 5.5%, 2010 (d)                    | 165,000      | 115,548       |
| Stone Ridge, CO, Metropolitan District No. 2, 7.25%, 2031   | 500,000      | 130,355       |
| Tolomato Community Development District, FL, Special Assessment, 6.65%, 2040 (d)(q)                     | 1,070,000    | 462,261       |
| Tuscany Reserve Community Development District, FL, Special Assessment, B, 5.25%, 2016                  | 785,000      | 709,876       |
| Villa Vizcaya Community Development District, FL, A, 5.55%, 2039 (a)(d)                                 | 210,000      | 90,300        |
| Watergrass Community Development District, FL, A, 5.375%, 2039  | 420,000      | 237,258       |
| Watergrass Community Development District, FL, Special Assessment, B, 6.96%, 2017                       | 460,000      | 436,466       |
|   |              | \$ 12,312,876 |
| <b>Tobacco - 7.1%</b>   |              |               |
| Badger, WI, Tobacco Asset Securitization Corp., 6.125%, 2012 (c)  | \$ 1,530,000 | \$ 1,537,084  |
| Buckeye, OH, Tobacco Settlement Financing Authority, A-2, 5.125%, 2024                                  | 2,905,000    | 2,368,969     |
| Buckeye, OH, Tobacco Settlement Financing Authority, A-2, 5.875%, 2030                                  | 1,935,000    | 1,553,186     |
| Buckeye, OH, Tobacco Settlement Financing Authority, A-2, 5.875%, 2047                                  | 825,000      | 641,603       |
| California Statewide Financing Authority, Tobacco Settlement, 5.625%, 2029                              | 1,430,000    | 1,429,986     |
| District of Columbia, Tobacco Settlement, 6.25%, 2024   | 735,000      | 738,374       |
| Golden State, CA, Tobacco Securitization Corp., Tobacco Settlement Rev., A-1, 5.75%, 2047               | 1,035,000    | 849,518       |
| Golden State, CA, Tobacco Securitization Corp., Tobacco Settlement Rev., A-4, 7.8%, 2013 (c)            | 1,000,000    | 1,080,520     |
| Illinois Railsplitter Tobacco Settlement Authority, 5.5%, 2023  | 880,000      | 1,001,889     |
| Illinois Railsplitter Tobacco Settlement Authority, 6%, 2028  | 2,645,000    | 3,003,318     |
| Iowa Tobacco Settlement Authority, Tobacco Settlement Rev., Asset Backed, B, 5.6%, 2034                 | 1,635,000    | 1,460,153     |

**Table of Contents***Portfolio of Investments (unaudited) continued*

| Issuer  | Shares/Par   | Value (\$)    |
|---|--------------|---------------|
| <b>Municipal Bonds - continued</b>  |              |               |
| <b>Tobacco - continued</b>  |              |               |
| Louisiana Tobacco Settlement Authority Rev., 2001-B , 5.5%, 2030  | \$ 1,080,000 | \$ 1,084,331  |
| New Jersey Tobacco Settlement Financing Corp., 5.75%, 2012 (c)  | 525,000      | 527,279       |
| New Jersey Tobacco Settlement Financing Corp., 7%, 2013 (c)   | 15,000       | 16,087        |
| New Jersey Tobacco Settlement Financing Corp., 1-A , 5%, 2041   | 2,095,000    | 1,654,882     |
| Suffolk, NY, Tobacco Asset Securitization Corp., Tobacco Settlement, B , 5.25%, 2037                        | 155,000      | 156,321       |
| Tobacco Securitization Authority, Minnesota Tobacco Settlement Rev., B , 5.25%, 2031                        | 1,440,000    | 1,580,098     |
| Washington Tobacco Settlement Authority Rev., 6.5%, 2026  | 130,000      | 135,153       |
|   |              | \$ 20,818,751 |
| <b>Toll Roads - 3.1%</b>  |              |               |
| E-470 Public Highway Authority, Colorado Rev., Capital Appreciation, B , NATL, 0%, 2027                     | \$ 4,115,000 | \$ 1,799,531  |
| Mid-Bay Bridge Authority, FL, Springing Lien Rev., A , 7.25%, 2040  | 1,580,000    | 1,832,595     |
| North Texas Tollway Authority Rev., 6%, 2038  | 1,505,000    | 1,721,043     |
| North Texas Tollway Authority Rev. (Special Projects System), D , 5%, 2031                                  | 1,110,000    | 1,249,005     |
| Virginia Small Business Financing Authority Rev. (Elizabeth River Crossings Opco LLC Project), 5.25%, 2032  | 460,000      | 471,992       |
| Virginia Small Business Financing Authority Rev. (Elizabeth River Crossings Opco LLC Project), 6%, 2037     | 765,000      | 830,385       |
| Virginia Small Business Financing Authority Rev. (Elizabeth River Crossings Opco LLC Project), 5.5%, 2042   | 1,225,000    | 1,258,504     |
|   |              | \$ 9,163,055  |
| <b>Transportation - Special Tax - 0.5%</b>  |              |               |
| Arizona Transportation Board Highway Rev., A , 5%, 2036   | \$ 1,290,000 | \$ 1,436,209  |
| <b>Universities - Colleges - 14.9%</b>  |              |               |
| Allegheny County, PA, Higher Education Building Authority Rev. (Chatham University), A , 5%, 2030           | \$ 155,000   | \$ 163,697    |
| Allegheny County, PA, Higher Education Building Authority Rev. (Chatham University), A , 5%, 2035           | 30,000       | 30,901        |
| Brevard County, FL, Industrial Development Rev. (TUFF Florida Tech LLC Project), 6.75%, 2039                | 1,055,000    | 1,150,646     |
| California Educational Facilities Authority Rev. (Chapman University), 5%, 2031                             | 240,000      | 258,206       |
| California Municipal Finance Authority Rev. (University of La Verne), A , 6.25%, 2040                       | 530,000      | 583,541       |
| California State University Rev., A , 5%, 2037  | 1,950,000    | 2,120,450     |
| California Statewide Communities Development Authority Rev. (California Baptist University), A , 5.4%, 2027 | 370,000      | 382,658       |

**Table of Contents***Portfolio of Investments (unaudited) continued*

| Issuer   | Shares/Par | Value (\$) |
|--|------------|------------|
| <b>Municipal Bonds - continued</b>   |            |            |
| <b>Universities - Colleges - continued</b>   |            |            |
| California Statewide Communities Development Authority Rev. (California Baptist University), A , 5.5%, 2038        | \$ 420,000 | \$ 422,045 |
| Florida Higher Educational Facilities, Financial Authority Rev. (University of Tampa Project), A , 5%, 2032        | 40,000     | 41,681     |
| Florida Higher Educational Facilities, Financial Authority Rev. (University of Tampa Project), A , 5.25%, 2042     | 355,000    | 376,378    |
| Harris County, TX, Cultural Education Facilities Rev. (Baylor College of Medicine), D , 5.625%, 2032               | 510,000    | 522,434    |
| Houston, TX, Community College Systems, COP, NATL, 7.875%, 2012 (c)  | 2,500,000  | 2,530,175  |
| Illinois Finance Authority Rev. (Illinois Institute of Technology), A , 5%, 2031                                   | 795,000    | 680,886    |
| Illinois Finance Authority Rev. (Illinois Institute of Technology), A , 5%, 2036                                   | 1,380,000  | 1,142,047  |
| Illinois Finance Authority Rev. (Roosevelt University Project), 6.25%, 2029  | 905,000    | 996,043    |
| Illinois Finance Authority Rev. (Roosevelt University Project), 6.5%, 2039   | 300,000    | 329,904    |
| Illinois Finance Authority Rev. (University of Chicago), A , 5%, 2051  | 270,000    | 289,024    |
| Louisiana State University (Health Sciences Center Project), NATL, 6.375%, 2031                                    | 2,500,000  | 2,503,825  |
| Massachusetts Development Finance Agency Rev. (Simmons College), H , SYNCORA, 5.25%, 2033                          | 110,000    | 120,142    |
| Massachusetts Health & Educational Facilities Authority Rev. (Massachusetts Institute of Technology), 5%, 2015 (u) | 20,000,000 | 22,468,200 |
| Massachusetts Health & Educational Facilities Authority Rev. (Simmons College), I , 8%, 2029                       | 535,000    | 635,644    |
| Massachusetts Health & Educational Facilities Authority Rev. (Suffolk University), A , 6.25%, 2030                 | 1,370,000  | 1,573,075  |
| Massachusetts Health & Educational Facilities Authority Rev. (Suffolk University), A , 5.75%, 2039                 | 885,000    | 968,456    |
| New Jersey Educational Facilities Authority Rev. (University of Medicine & Dentistry), B , 6%, 2017                | 590,000    | 715,700    |
| New Jersey Educational Facilities Authority Rev. (University of Medicine & Dentistry), B , 7.5%, 2032              | 1,065,000  | 1,290,556  |
| Oregon Facilities Authority, Student Housing Rev. (Southern Oregon University), N, 4.7%, 2033                      | 85,000     | 88,196     |
| Oregon Facilities Authority, Student Housing Rev. (Southern Oregon University), N, 5%, 2044                        | 105,000    | 109,411    |
| Pennsylvania Higher Educational Facilities Authority Rev. (Lasalle University), A , 5.25%, 2027                    | 105,000    | 113,133    |

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*Portfolio of Investments (unaudited) continued*

| Issuer   | Shares/Par   | Value (\$)    |
|--|--------------|---------------|
| <b>Municipal Bonds - continued</b>   |              |               |
| <b>Universities - Colleges - continued</b>   |              |               |
| Pennsylvania Higher Educational Facilities Authority Rev. (Saint Francis University Project), JJ2 , 6.25%, 2041        | \$ 295,000   | \$ 314,337    |
| Washington Higher Education Facilities Authority Rev. (Whitworth University), 5.875%, 2034                             | 540,000      | 588,816       |
|  |              | \$ 43,510,207 |
| <b>Universities - Dormitories - 1.0%</b>   |              |               |
| Bowling Green, OH, Student Housing Rev. (State University Project), 5.75%, 2031  | \$ 350,000   | \$ 366,779    |
| California Statewide Communities Development Authority Rev. (Lancer Educational Student Housing Project), 5.625%, 2033 | 380,000      | 384,066       |
| Illinois Finance Authority Student Housing Rev. (Illinois State University), 6.75%, 2031                               | 415,000      | 463,522       |
| Illinois Finance Authority Student Housing Rev. (Northern Illinois University Project), 6.625%, 2031                   | 1,215,000    | 1,363,655     |
| Pennsylvania Higher Educational Facilities Authority Rev. (Edinboro University Foundation), 5.8%, 2030                 | 155,000      | 166,980       |
| Pennsylvania Higher Educational Facilities Authority Rev. (Edinboro University Foundation), 6%, 2043                   | 215,000      | 230,585       |
|  |              | \$ 2,975,587  |
| <b>Universities - Secondary Schools - 3.5%</b>   |              |               |
| California Statewide Communities Development Authority Rev. (Aspire Public Schools), 6.375%, 2045                      | \$ 1,000,000 | \$ 1,078,180  |
| Clifton, TX, Higher Education Finance Corp. Rev. (Idea Public Schools), 5.5%, 2031                                     | 160,000      | 172,778       |
| Clifton, TX, Higher Education Finance Corp. Rev. (Idea Public Schools), 5.75%, 2041                                    | 130,000      | 141,592       |
| Clifton, TX, Higher Education Finance Corp. Rev. (Uplift Education), A , 6.125%, 2040                                  | 570,000      | 628,887       |
| Clifton, TX, Higher Education Finance Corp. Rev. (Uplift Education), A , 6.25%, 2045                                   | 350,000      | 387,398       |
| Florida Development Finance Corp. Educational Facilities Rev. (Renaissance Charter School), A , 6%, 2040               | 380,000      | 392,320       |
| Florida Development Finance Corp. Educational Facilities Rev. (Renaissance Charter School), A , 7.625%, 2041           | 875,000      | 934,999       |
| La Vernia, TX, Higher Education Finance Corp. Rev. (KIPP, Inc.), A , 6.25%, 2039                                       | 365,000      | 403,310       |
| Lee County, FL, Industrial Development Authority Rev. (Lee Charter Foundation), A , 5.25%, 2027                        | 430,000      | 417,315       |
| Lee County, FL, Industrial Development Authority Rev. (Lee Charter Foundation), A , 5.375%, 2037                       | 945,000      | 848,525       |

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*Portfolio of Investments (unaudited) continued*

| Issuer  | Shares/Par | Value (\$)    |
|---|------------|---------------|
| <b>Municipal Bonds - continued</b>  |            |               |
| Universities - Secondary Schools - continued  |            |               |
| Maryland Health & Higher Educational Facilities Authority Rev. (Washington Christian Academy), 5.5%, 2038 (a)(d)                  | \$ 140,000 | \$ 56,000     |
| Maryland Industrial Development Financing Authority, Economic Development Authority Rev. (Our Lady of Good Council), A , 6%, 2035 | 150,000    | 153,872       |
| North Texas Education Finance Corp., Education Rev. (Uplift Education), A , 4.875%, 2032  | 110,000    | 110,824       |
| North Texas Education Finance Corp., Education Rev. (Uplift Education), A , 5.125%, 2042  | 275,000    | 276,818       |
| St. Paul, MN, Housing & Redevelopment Authority Charter School Lease Rev. (Nova Classical Academy), A , 6.375%, 2031              | 120,000    | 126,052       |
| St. Paul, MN, Housing & Redevelopment Authority Charter School Lease Rev. (Nova Classical Academy), A , 6.625%, 2042              | 240,000    | 251,986       |
| Utah County, UT, Charter School Finance Authority, Charter School Rev. (Early Light Academy Project), 8.25%, 2035                 | 770,000    | 815,869       |
| Utah County, UT, Charter School Finance Authority, Charter School Rev. (Hawthorne Academy Project), 8.25%, 2035                   | 830,000    | 886,540       |
| Utah County, UT, Charter School Rev. (Lakeview Academy), A , 5.625%, 2037   | 500,000    | 421,140       |
| Utah County, UT, Charter School Rev. (Renaissance Academy), A , 5.625%, 2037  | 495,000    | 429,536       |
| Utah County, UT, Charter School Rev. (Ronald Wilson Reagan Academy), A , 6%, 2038   | 1,255,000  | 1,262,166     |
|   |            | \$ 10,196,107 |
| <b>Utilities - Cogeneration - 0.4%</b>  |            |               |
| Alaska Industrial Development & Export Authority, Power Rev., Upper Lynn Canal Regional Power, 5.8%, 2018                         | \$ 830,000 | \$ 830,706    |
| Pennsylvania Economic Development Financing Authority Rev., Resource Recovery Rev. (Colver), G , 5.125%, 2015                     | 350,000    | 355,754       |
|   |            | \$ 1,186,460  |
| <b>Utilities - Investor Owned - 4.6%</b>  |            |               |
| Apache County, AZ, Industrial Development Authority, Pollution Control Rev. (Tucson Electric Power Co.), A , 5.85%, 2028          | \$ 155,000 | \$ 155,226    |
| Apache County, AZ, Industrial Development Authority, Pollution Control Rev. (Tucson Electric Power Co.), A , 4.5%, 2030           | 1,055,000  | 1,061,615     |
| Brazos River Authority, TX, Pollution Control Rev. (TXU Energy Co. LLC), 5%, 2041   | 835,000    | 81,354        |
| Chula Vista, CA, Industrial Development Rev. (San Diego Gas), 5.875%, 2034  | 470,000    | 545,177       |
| Connecticut Development Authority, Pollution Control Rev. (Connecticut Light & Power Co.), 5.95%, 2028                            | 2,270,000  | 2,291,315     |



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*Portfolio of Investments (unaudited) continued*

| Issuer   | Shares/Par   | Value (\$)    |
|--|--------------|---------------|
| <b>Municipal Bonds - continued</b>   |              |               |
| <b>Utilities - Investor Owned - continued</b>  |              |               |
| Farmington, NM, Pollution Control Rev. (Public Service New Mexico), D , 5.9%, 2040                             | \$ 1,840,000 | \$ 1,986,906  |
| Hawaii Department of Budget & Finance Special Purpose Rev. (Hawaiian Electric Co. & Subsidiary), 6.5%, 2039    | 750,000      | 858,173       |
| Massachusetts Development Finance Agency, Solid Waste Disposal Rev. (Dominion Energy Brayton), 5.75%, 2042 (b) | 165,000      | 194,692       |
| Matagorda County, TX (CenterPoint Energy), 5.6%, 2027  | 1,500,000    | 1,554,405     |
| Matagorda County, TX, Pollution Control Rev. (Central Power & Light Co.), A , 6.3%, 2029                       | 525,000      | 601,393       |
| Mecklenburg County, VA, Industrial Development Authority Rev. (UAE Mecklenburg LP), 6.5%, 2017                 | 800,000      | 804,120       |
| Owen County, KY, Waterworks System Rev. (American Water Co. Project), A , 6.25%, 2039                          | 400,000      | 437,196       |
| Pennsylvania Economic Development Financing Authority (Allegheny Energy Supply Co. LLC), 7%, 2039              | 1,165,000    | 1,329,253     |
| Pima County, AZ, Industrial Development Authority Rev. (Tucson Electric Power Co.), 5.75%, 2029                | 1,315,000    | 1,394,124     |
|  |              | \$ 13,294,949 |
| <b>Utilities - Municipal Owned - 0.6%</b>  |              |               |
| Long Island, NY, Power Authority, A , 5%, 2038   | \$ 1,155,000 | \$ 1,253,337  |
| Puerto Rico Electric Power Authority, Power Rev., A , 5%, 2042   | 600,000      | 599,034       |
|  |              | \$ 1,852,371  |
| <b>Utilities - Other - 2.7%</b>  |              |               |
| California M-S-R Energy Authority Gas Rev., A , 7%, 2034   | \$ 210,000   | \$ 266,675    |
| California M-S-R Energy Authority Gas Rev., A , 6.5%, 2039   | 465,000      | 569,420       |
| Georgia Main Street Natural Gas, Inc., Gas Project Rev., A , 5%, 2022  | 500,000      | 568,810       |
| Georgia Main Street Natural Gas, Inc., Gas Project Rev., A , 5.5%, 2026  | 285,000      | 316,817       |
| Indiana Bond Bank Special Program, Gas Rev., A , 5.25%, 2018   | 440,000      | 500,421       |
| Public Authority for Colorado Energy Natural Gas Purchase Rev., 6.5%, 2038                                     | 50,000       | 61,893        |
| Salt Verde Financial Corp., AZ, Senior Gas Rev., 5%, 2037  | 2,395,000    | 2,429,608     |
| Tennessee Energy Acquisition Corp., Gas Rev., A , 5%, 2014   | 455,000      | 488,142       |
| Tennessee Energy Acquisition Corp., Gas Rev., A , 5.25%, 2022  | 510,000      | 568,502       |
| Tennessee Energy Acquisition Corp., Gas Rev., A , 5.25%, 2023  | 80,000       | 88,494        |
| Tennessee Energy Acquisition Corp., Gas Rev., A , 5.25%, 2024  | 560,000      | 614,964       |
| Tennessee Energy Acquisition Corp., Gas Rev., A , 5.25%, 2026  | 905,000      | 992,124       |
| Tennessee Energy Acquisition Corp., Gas Rev., C , 5%, 2025   | 450,000      | 476,546       |
|  |              | \$ 7,942,416  |

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*Portfolio of Investments (unaudited) continued*

| Issuer   | Shares/Par | Value (\$)            |
|--|------------|-----------------------|
| <b>Municipal Bonds - continued</b>   |            |                       |
| <b>Water &amp; Sewer Utility Revenue - 9.2%</b>  |            |                       |
| Atlanta, GA, Water & Wastewater Rev., A, 6%, 2022  | \$ 710,000 | \$ 870,169            |
| California Department of Water Resources, Center Valley Project Rev., AJ, 5%, 2035       | 1,990,000  | 2,317,335             |
| Commonwealth of Puerto Rico Aqueduct & Sewer Authority Rev., A, 5.75%, 2037              | 485,000    | 512,082               |
| DeKalb County, GA, Water & Sewer Rev., A, 5.25%, 2028                                    | 1,100,000  | 1,270,357             |
| DeKalb County, GA, Water & Sewer Rev., A, 5.25%, 2029                                    | 270,000    | 309,933               |
| DeKalb County, GA, Water & Sewer Rev., A, 5.25%, 2030                                    | 910,000    | 1,039,866             |
| DeKalb County, GA, Water & Sewer Rev., A, 5.25%, 2031                                    | 40,000     | 45,502                |
| DeKalb County, GA, Water & Sewer Rev., A, 5.25%, 2041                                    | 1,965,000  | 2,165,705             |
| East Bay, CA, Municipal Utility District, Water System Rev., A, 5%, 2028                 | 3,200,000  | 3,817,952             |
| Houston, TX, Utility System Rev., D, 5%, 2036  | 855,000    | 958,925               |
| King County, WA, Sewer Rev., 5%, 2040  | 2,750,000  | 3,032,315             |
| Madera, CA, Irrigation Financing Authority Rev., 6.5%, 2040                              | 1,280,000  | 1,403,405             |
| New York Environmental Facilities Corp., Clean Drinking Water Revolving Funds, 5%, 2024  | 335,000    | 401,380               |
| New York Environmental Facilities Corp., Clean Drinking Water Revolving Funds, 5%, 2041  | 1,345,000  | 1,484,678             |
| New York Environmental Facilities, C, 5%, 2041   | 1,860,000  | 2,066,851             |
| New York, NY, Municipal Water Finance Authority, Water & Sewer System Rev., AA, 5%, 2034 | 3,900,000  | 4,382,235             |
| Sacramento, CA, Municipal Utility District, X, 5%, 2028                                  | 565,000    | 645,123               |
|  |            | \$ 26,723,813         |
| <b>Total Municipal Bonds (Identified Cost, \$396,627,605)</b>                            |            | <b>\$ 412,778,150</b> |
| <b>Money Market Funds - 0.9%</b>   |            |                       |
| MFS Institutional Money Market Portfolio, 0.12%, at Cost and Net Asset Value (v)         | 2,593,953  | \$ 2,593,953          |
| <b>Total Investments (Identified Cost, \$399,221,558)</b>                                |            | <b>\$ 415,372,103</b> |
| <b>Other Assets, Less Liabilities - (3.3)%</b>   |            | <b>(9,768,443)</b>    |
| <b>Preferred shares (issued by the fund) - (39.0)%</b>                                   |            | <b>(113,750,000)</b>  |
| <b>Net assets applicable to common shares - 100.0%</b>                                   |            | <b>\$ 291,853,660</b> |

- (a) Non-income producing security.
- (b) Mandatory tender date is earlier than stated maturity date.
- (c) Refunded bond.
- (d) In default. Interest and/or scheduled principal payment(s) have been missed.
- (f) All or a portion of the security has been segregated as collateral for open futures contracts.
- (n) Securities exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be sold in the ordinary course of business in transactions exempt from registration, normally to qualified institutional buyers. At period end, the aggregate value of these securities was \$7,078,725, representing 2.4% of net assets applicable to common shares.

**Table of Contents***Portfolio of Investments (unaudited) continued*

- (p) Primary inverse floater.
- (q) Interest received was less than stated coupon rate.
- (u) Underlying security deposited into special purpose trust ( the trust ) by investment banker upon creation of self-deposited inverse floaters.
- (v) Underlying affiliated fund that is available only to investment companies managed by MFS. The rate quoted for the MFS Institutional Money Market Portfolio is the annualized seven-day yield of the fund at period end.
- (z) Restricted securities are not registered under the Securities Act of 1933 and are subject to legal restrictions on resale. These securities generally may be resold in transactions exempt from registration or to the public if the securities are subsequently registered. Disposal of these securities may involve time-consuming negotiations and prompt sale at an acceptable price may be difficult. The fund holds the following restricted securities:

| <b>Restricted Securities</b>                | <b>Acquisition Date</b> | <b>Cost</b> | <b>Value</b> |
|---|-------------------------|-------------|--------------|
| MuniMae TE Bond Subsidiary LLC, 5.4%, 2049  | 10/14/04                | \$1,000,000 | \$660,130    |
| % of Net assets applicable to common shares |                         |             | 0.2%         |

The following abbreviations are used in this report and are defined:

- COP Certificate of Participation
- ETM Escrowed to Maturity
- FRN Floating Rate Note. Interest rate resets periodically and may not be the rate reported at period end.

**Insurers**

|          |   |
|----------|---|
| AGM      | Assured Guaranty Municipal              |
| AMBAC    | AMBAC Indemnity Corp.                   |
| ASSD GTY | Assured Guaranty Insurance Co.          |
| FGIC     | Financial Guaranty Insurance Co.        |
| FHA      | Federal Housing Administration          |
| FHLMC    | Federal Home Loan Mortgage Corp.        |
| FNMA     | Federal National Mortgage Assn.         |
| GNMA     | Government National Mortgage Assn.      |
| NATL     | National Public Finance Guarantee Corp. |
| PSF      | Permanent School Fund                   |
| SYNCORA  | Syncora Guarantee Inc.                  |

**Derivative Contracts at 4/30/12****Futures Contracts Outstanding at 4/30/12**

| <b>Description</b>               | <b>Currency</b> | <b>Contracts</b> | <b>Value</b> | <b>Expiration Date</b> | <b>Unrealized Appreciation (Depreciation)</b> |
|----------------------------------|-----------------|------------------|--------------|------------------------|---|
| <b>Liability Derivatives</b>     |                 |                  |              |                        |   |
| <b>Interest Rate Futures</b>     |                 |                  |              |                        |   |
| U.S. Treasury Bond 30 yr (Short) | USD             | 80               | \$11,430,000 | June - 2012            | \$(105,280)                                   |

At April 30, 2012, the fund had sufficient cash and/or other liquid securities to cover any commitments under these derivative contracts.

**See Notes to Financial Statements**

**Table of Contents***Financial Statements***STATEMENT OF ASSETS AND LIABILITIES**

At 4/30/12 (unaudited)

This statement represents your fund's balance sheet, which details the assets and liabilities comprising the total value of the fund.

|  |               |
|--|---------------|
| <b>Assets</b>  |               |
| Investments-   |               |
| Non-affiliated issuers, at value (identified cost, \$396,627,605)  | \$412,778,150 |
| Underlying affiliated funds, at cost and value   | 2,593,953     |
| Total investments, at value (identified cost, \$399,221,558)   | \$415,372,103 |
| Cash   | 199,068       |
| Receivables for  |               |
| Investments sold   | 537,319       |
| Interest   | 7,280,202     |
| Other assets   | 26,787        |
| Total assets   | \$423,415,479 |
| <b>Liabilities</b>   |               |
| Payables for   |               |
| Distributions on preferred shares  | \$5,948       |
| Daily variation margin on open futures contracts   | 12,500        |
| Investments purchased  | 1,188,302     |
| Payable to the holder of the floating rate certificate from trust assets   | 16,315,287    |
| Payable for interest expense and fees  | 45,466        |
| Payable to affiliates  |               |
| Investment adviser   | 45,322        |
| Transfer agent and dividend disbursing costs   | 8,584         |
| Payable for independent Trustees' compensation   | 51,016        |
| Accrued expenses and other liabilities   | 139,394       |
| Total liabilities  | \$17,811,819  |
| <b>Preferred shares</b>  |               |
| Series T and Series TH auction preferred shares (4,550 shares issued and outstanding at \$25,000 per share) at liquidation value | \$113,750,000 |
| Net assets applicable to common shares   | \$291,853,660 |
| <b>Net assets consist of</b>   |               |
| Paid-in capital - common shares  | \$305,956,685 |
| Unrealized appreciation (depreciation) on investments  | 16,045,265    |
| Accumulated net realized gain (loss) on investments  | (33,336,849)  |
| Undistributed net investment income  | 3,188,559     |
| Net assets applicable to common shares   | \$291,853,660 |
| Preferred shares, at liquidation value (4,550 shares issued and outstanding at \$25,000 per share)                               | 113,750,000   |
| Net assets including preferred shares  | \$405,603,660 |
| Common shares of beneficial interest outstanding   | 41,015,247    |
| Net asset value per common share (net assets of \$291,853,660 / 41,015,247 shares of beneficial interest outstanding)            | \$7.12        |

**See Notes to Financial Statements**

**Table of Contents***Financial Statements***STATEMENT OF OPERATIONS**

Six months ended 4/30/12 (unaudited)

This statement describes how much your fund earned in investment income and accrued in expenses. It also describes any gains and/or losses generated by fund operations.

|   |              |
|---|--------------|
| <b>Net investment income</b>                              |              |
| Income  |              |
| Interest  | \$11,773,657 |
| Dividends from underlying affiliated funds                | 2,520        |
| Total investment income                                   | \$11,776,177 |
| Expenses  |              |
| Management fee  | \$1,511,804  |
| Transfer agent and dividend disbursing costs              | 34,367       |
| Administrative services fee                               | 34,819       |
| Independent Trustees' compensation                        | 21,881       |
| Stock exchange fee  | 18,411       |
| Preferred shares service fee                              | 69,122       |
| Custodian fee   | 20,080       |
| Shareholder communications                                | 21,159       |
| Audit and tax fees  | 36,750       |
| Legal fees  | 3,460        |
| Interest expense and fees                                 | 54,877       |
| Miscellaneous   | 42,214       |
| Total expenses  | \$1,868,944  |
| Fees paid indirectly                                      | (28)         |
| Reduction of expenses by investment adviser               | (44,792)     |
| Net expenses  | \$1,824,124  |
| Net investment income                                     | \$9,952,053  |
| <b>Realized and unrealized gain (loss) on investments</b> |              |
| Realized gain (loss) (identified cost basis)              |              |
| Investment transactions                                   | \$(287,354)  |
| Futures contracts   | (501,120)    |
| Net realized gain (loss) on investments                   | \$(788,474)  |
| Change in unrealized appreciation (depreciation)          |              |
| Investments   | \$21,318,576 |
| Futures contracts   | 63,125       |
| Net unrealized gain (loss) on investments                 | \$21,381,701 |
| Net realized and unrealized gain (loss) on investments    | \$20,593,227 |
| Distributions declared to preferred shareholders          | \$(124,381)  |
| Change in net assets from operations                      | \$30,420,899 |

**See Notes to Financial Statements**

**Table of Contents***Financial Statements***STATEMENTS OF CHANGES IN NET ASSETS**

These statements describe the increases and/or decreases in net assets resulting from operations, any distributions, and any shareholder transactions.

|   | <b>Six months ended<br/>4/30/12<br/>(unaudited)</b> | <b>Year ended<br/>10/31/11</b> |
|---|---|--------------------------------|
| <b>Change in net assets</b>   |   |                                |
| <b>From operations</b>  |   |                                |
| Net investment income   | \$9,952,053   | \$21,015,051                   |
| Net realized gain (loss) on investments   | (788,474)   | (4,797,091)                    |
| Net unrealized gain (loss) on investments   | 21,381,701  | (5,864,051)                    |
| Distributions declared to preferred shareholders  | (124,381)   | (371,300)                      |
| Change in net assets from operations  | \$30,420,899  | \$9,982,609                    |
| <b>Distributions declared to common shareholders</b>  |   |                                |
| From net investment income  | \$(10,320,806)                                      | \$(20,560,484)                 |
| Net asset value of shares issued to common shareholders in reinvestment of distributions                      | \$719,279   | \$1,401,642                    |
| Total change in net assets  | \$20,819,372  | \$(9,176,233)                  |
| <b>Net assets applicable to common shares</b>   |   |                                |
| At beginning of period  | 271,034,288   | 280,210,521                    |
| At end of period (including undistributed net investment income of \$3,188,559 and \$3,681,693, respectively) | \$291,853,660                                       | \$271,034,288                  |

**See Notes to Financial Statements**

**Table of Contents***Financial Statements***FINANCIAL HIGHLIGHTS**

The financial highlights table is intended to help you understand the fund's financial performance for the semiannual period and the past 5 fiscal years. Certain information reflects financial results for a single fund share. The total returns in the table represent the rate by which an investor would have earned (or lost) on an investment in the fund share class (assuming reinvestment of all distributions) held for the entire period.

|  | Six months<br>ended<br>4/30/12 | 2011      | 2010      | Years ended 10/31<br>2009 | 2008      | 2007       |
|--|--------------------------------|-----------|-----------|---------------------------|-----------|------------|
|  | (unaudited)                    |           |           |                           |           |            |
| <b>Common Shares</b>   |                                |           |           |                           |           |            |
| Net asset value, beginning of period   | \$6.62                         | \$6.89    | \$6.54    | \$5.71                    | \$7.69    | \$8.06     |
| <b>Income (loss) from investment operations</b>  |                                |           |           |                           |           |            |
| Net investment income (d)  | \$0.24                         | \$0.52    | \$0.53    | \$0.53                    | \$0.55    | \$ 0.57(z) |
| Net realized and unrealized gain (loss) on investments                                       | 0.51                           | (0.28)    | 0.33      | 0.81                      | (1.94)    | (0.35)(z)  |
| Distributions declared to preferred shareholders   | (0.00)(w)                      | (0.01)    | (0.01)    | (0.02)                    | (0.13)    | (0.13)     |
| Total from investment operations   | \$0.75                         | \$0.23    | \$0.85    | \$1.32                    | \$(1.52)  | \$0.09     |
| <b>Less distributions declared to common shareholders</b>                                    |                                |           |           |                           |           |            |
| From net investment income   | \$(0.25)                       | \$(0.50)  | \$(0.50)  | \$(0.49)                  | \$(0.46)  | \$(0.46)   |
| Net asset value, end of period (x)   | \$7.12                         | \$6.62    | \$6.89    | \$6.54                    | \$5.71    | \$7.69     |
| Market value, end of period  | \$7.57                         | \$6.88    | \$7.23    | \$6.44                    | \$4.91    | \$7.31     |
| Total return at market value (%) (p)   | 14.08(n)                       | 2.85      | 21.01     | 43.37                     | (28.13)   | (5.48)     |
| Total return at net asset value (%) (j)(r)(s)(x)   | 11.35(n)                       | 3.84      | 13.56     | 25.19                     | (20.55)   | 1.17       |
| <b>Ratios (%) (to average net assets applicable to common shares) and Supplemental data:</b> |                                |           |           |                           |           |            |
| Expenses before expense reductions (f)(p)  | 1.34(a)                        | 1.44      | 1.43      | 1.66                      | 1.57      | 1.47       |
| Expenses after expense reductions (f)(p)   | 1.30(a)                        | 1.42      | 1.43      | 1.66                      | 1.57      | 1.47       |
| Net investment income (p)  | 7.11(a)                        | 7.97      | 7.87      | 9.39                      | 7.82      | 7.23(z)    |
| Portfolio turnover   | 12                             | 22        | 13        | 10                        | 25        | 24         |
| Net assets at end of period (000 omitted)  | \$291,854                      | \$271,034 | \$280,211 | \$264,542                 | \$230,444 | \$309,690  |

**Table of Contents***Financial Highlights continued*

|   | Six months<br>ended<br>4/30/12 | 2011     | Years ended 10/31 |          |          | 2007     |
|---|--------------------------------|----------|-------------------|----------|----------|----------|
|   |                                |          | 2010              | 2009     | 2008     |          |
| <b>(unaudited)</b>  |                                |          |                   |          |          |          |
| <b>Supplemental Ratios (%):</b>   |                                |          |                   |          |          |          |
| Ratio of expenses to average net assets applicable to common shares after expense reductions and excluding interest expense and fees (f)(l)(p)  | 1.26(a)                        | 1.38     | 1.39              | 1.61     | 1.49     | 1.40     |
| Ratio of expenses to average net assets applicable to common shares and preferred shares after expense reductions and excluding interest expense and fees (f)(l)(p)   | 0.90(a)                        | 0.97     | 0.98              | 1.08     | 1.01     | 0.97     |
| Net investment income available to common shares  | 7.02(a)                        | 7.83     | 7.70              | 8.99     | 6.01     | 5.60     |
| <b>Senior Securities:</b>   |                                |          |                   |          |          |          |
| Total preferred shares outstanding  | 4,550                          | 4,550    | 4,550             | 4,550    | 4,550    | 5,600    |
| Asset coverage per preferred share (k)  | \$89,141                       | \$84,568 | \$86,585          | \$83,141 | \$75,647 | \$80,302 |
| Involuntary liquidation preference per preferred share (m)  | \$25,000                       | \$25,000 | \$25,000          | \$25,000 | \$25,000 | \$25,000 |
| Average market value per preferred share (m)(u)   | \$25,000                       | \$25,000 | \$25,000          | \$25,000 | \$25,000 | \$25,000 |
| (a) Annualized.   |                                |          |                   |          |          |          |
| (d) Per share data is based on average shares outstanding.  |                                |          |                   |          |          |          |
| (f) Ratios do not reflect reductions from fees paid indirectly, if applicable.  |                                |          |                   |          |          |          |
| (j) Total return at net asset value is calculated using the net asset value of the fund, not the publicly traded price and therefore may be different than the total return at market value.  |                                |          |                   |          |          |          |
| (k) Calculated by subtracting the fund's total liabilities (not including preferred shares) from the fund's total assets and dividing this number by the number of preferred shares outstanding.  |                                |          |                   |          |          |          |
| (l) Interest expense and fees relate to payments made to the holder of the floating rate certificate from trust assets.   |                                |          |                   |          |          |          |
| (m) Amount excludes accrued unpaid distributions to auction preferred shareholders.   |                                |          |                   |          |          |          |
| (n) Not annualized.   |                                |          |                   |          |          |          |
| (p) Ratio excludes dividend payment on auction preferred shares.  |                                |          |                   |          |          |          |
| (r) Certain expenses have been reduced without which performance would have been lower.   |                                |          |                   |          |          |          |
| (s) From time to time the fund may receive proceeds from litigation settlements, without which performance would be lower.  |                                |          |                   |          |          |          |
| (u) Average market value represents the approximate fair value of the fund's liability.   |                                |          |                   |          |          |          |
| (w) Per share amount was less than \$0.01.  |                                |          |                   |          |          |          |
| (x) The net asset values per share and total returns have been calculated on net assets which include adjustments made in accordance with U.S. generally accepted accounting principles required at period end for financial reporting purposes.  |                                |          |                   |          |          |          |
| (z) The fund applied a change in estimate for amortization of premium on certain debt securities that resulted in an increase of \$0.04 per share to net investment income, a decrease of \$0.04 per share to net realized and unrealized gain (loss) on investments, and an increase of 0.49% to the net investment income ratio for the year ended October 31, 2007. The change in estimate had no impact on net assets, net asset value per share or total return. |                                |          |                   |          |          |          |

**See Notes to Financial Statements**



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## NOTES TO FINANCIAL STATEMENTS

(unaudited)

### **(1) Business and Organization**

MFS Municipal Income Trust (the fund) is organized as a Massachusetts business trust and is registered under the Investment Company Act of 1940, as amended, as a closed-end management investment company.

### **(2) Significant Accounting Policies**

**General** The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. In the preparation of these financial statements, management has evaluated subsequent events occurring after the date of the fund's Statement of Assets and Liabilities through the date that the financial statements were issued. The fund invests primarily in municipal instruments. The value of municipal instruments can be affected by changes in their actual or perceived credit quality. The credit quality of municipal instruments can be affected by, among other things, the financial condition of the issuer or guarantor, the issuer's future borrowing plans and sources of revenue, the economic feasibility of the revenue bond project or general borrowing purpose, political or economic developments in the region where the instrument is issued and the liquidity of the security. Municipal instruments generally trade in the over-the-counter market. Municipal instruments backed by current and anticipated revenues from a specific project or specific assets can be negatively affected by the discontinuance of the taxation supporting the projects or assets or the inability to collect revenues for the project or from the assets. If the Internal Revenue Service determines an issuer of a municipal instrument has not complied with the applicable tax requirements, the security could decline in value, interest from the security could become taxable and the funds may be required to issue Forms 1099-DIV. The fund invests in high-yield securities rated below investment grade. Investments in high-yield securities involve greater degrees of credit and market risk than investments in higher-rated securities and tend to be more sensitive to economic conditions.

In December 2011, the Financial Accounting Standards Board issued Accounting Standards Update 2011-11, Balance Sheet (Topic 210) Disclosures about Offsetting Assets and Liabilities (ASU 2011-11). Effective for annual reporting periods beginning on or after January 1, 2013 and interim periods within those annual periods, ASU 2011-11 is intended to enhance disclosure requirements on the offsetting of financial assets and liabilities. Although still

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*Notes to Financial Statements (unaudited) continued*

evaluating the potential impacts of ASU 2011-11 to the fund, management expects that the impact of the fund's adoption will be limited to additional financial statement disclosures.

**Investment Valuations** Debt instruments and floating rate loans (other than short-term instruments), including restricted debt instruments, are generally valued at an evaluated or composite bid as provided by a third-party pricing service. Short-term instruments with a maturity at issuance of 60 days or less generally are valued at amortized cost, which approximates market value. Futures contracts are generally valued at last posted settlement price as provided by a third-party pricing service on the market on which they are primarily traded. Futures contracts for which there were no trades that day for a particular position are generally valued at the closing bid quotation as provided by a third-party pricing service on the market on which such futures contracts are primarily traded. Open-end investment companies are generally valued at net asset value per share. Securities and other assets generally valued on the basis of information from a third-party pricing service may also be valued at a broker/dealer bid quotation. Values obtained from third-party pricing services can utilize both transaction data and market information such as yield, quality, coupon rate, maturity, type of issue, trading characteristics, and other market data.

The Board of Trustees has delegated primary responsibility for determining or causing to be determined the value of the fund's investments (including any fair valuation) to the adviser pursuant to valuation policies and procedures approved by the Board. If the adviser determines that reliable market quotations are not readily available, investments are valued at fair value as determined in good faith by the adviser in accordance with such procedures under the oversight of the Board of Trustees. Under the fund's valuation policies and procedures, market quotations are not considered to be readily available for most types of debt instruments and floating rate loans and many types of derivatives. These investments are generally valued at fair value based on information from third-party pricing services. In addition, investments may be valued at fair value if the adviser determines that an investment's value has been materially affected by events occurring after the close of the exchange or market on which the investment is principally traded (such as foreign exchange or market) and prior to the determination of the fund's net asset value, or after the halting of trading of a specific security where trading does not resume prior to the close of the exchange or market on which the security is principally traded. The adviser generally relies on third-party pricing services or other information (such as the correlation with price movements of similar securities in the same or other markets; the type, cost and investment characteristics of the security; the business and financial condition of the issuer; and trading and other market data) to assist in determining whether to

**Table of Contents***Notes to Financial Statements (unaudited) continued*

fair value and at what value to fair value an investment. The value of an investment for purposes of calculating the fund's net asset value can differ depending on the source and method used to determine value. When fair valuation is used, the value of an investment used to determine the fund's net asset value may differ from quoted or published prices for the same investment. There can be no assurance that the fund could obtain the fair value assigned to an investment if it were to sell the investment at the same time at which the fund determines its net asset value per share.

Various inputs are used in determining the value of the fund's assets or liabilities. These inputs are categorized into three broad levels. In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The fund's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment. Level 1 includes unadjusted quoted prices in active markets for identical assets or liabilities. Level 2 includes other significant observable market-based inputs (including quoted prices for similar securities, interest rates, prepayment speed, and credit risk). Level 3 includes unobservable inputs, which may include the adviser's own assumptions in determining the fair value of investments. Other financial instruments are derivative instruments not reflected in total investments, such as futures. The following is a summary of the levels used as of April 30, 2012 in valuing the fund's assets or liabilities:

| <b>Investments at Value</b>        | <b>Level 1</b> | <b>Level 2</b> | <b>Level 3</b> | <b>Total</b>  |
|------------------------------------|----------------|----------------|----------------|---------------|
| Municipal Bonds                    | \$             | \$412,778,150  | \$             | \$412,778,150 |
| Mutual Funds                       | 2,593,953      |                |                | 2,593,953     |
| Total Investments                  | \$2,593,953    | \$412,778,150  | \$             | \$415,372,103 |
| <b>Other Financial Instruments</b> |                |                |                |               |
| Futures                            | \$(105,280)    | \$             | \$             | \$(105,280)   |

For further information regarding security characteristics, see the Portfolio of Investments.

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Notes to Financial Statements (unaudited) continued

The following is a reconciliation of level 3 assets for which significant unobservable inputs were used to determine fair value. The fund's policy is to recognize transfers between the levels as of the end of the period. The table presents the activity of level 3 securities held at the beginning and the end of the period.

|  | <b>Municipal<br/>Bonds</b> |
|--|----------------------------|
| Balance as of 10/31/11                           | \$178,062                  |
| Accrued discounts/premiums                       | 24                         |
| Realized gain (loss)                             | (225,800)                  |
| Change in unrealized appreciation (depreciation) | 213,453                    |
| Liquidation proceeds                             | (165,739)                  |
| Balance as of 4/30/12                            | \$                         |

**Derivatives** The fund uses derivatives for different purposes, primarily to increase or decrease exposure to a particular market or segment of the market, or security, to increase or decrease interest rate exposure, or as alternatives to direct investments. Derivatives are used for hedging or non-hedging purposes. While hedging can reduce or eliminate losses, it can also reduce or eliminate gains. When the fund uses derivatives as an investment to increase market exposure, or for hedging purposes, gains and losses from derivative instruments may be substantially greater than the derivative's original cost.

The derivative instruments used by the fund were futures contracts. The fund's period end derivatives, as presented in the Portfolio of Investments and the associated Derivative Contract Tables, generally are indicative of the volume of its derivative activity during the period.

The following table presents, by major type of derivative contract, the fair value, on a gross basis, of the asset and liability components of derivatives held by the fund at April 30, 2012 as reported in the Statement of Assets and Liabilities:

| <b>Risk</b>   | <b>Derivative Contracts</b> | <b>Fair Value (a)<br/>Liability Derivatives</b> |
|---------------|-----------------------------|---|
| Interest Rate | Interest Rate Futures       | \$(105,280)                                     |

(a) The value of futures contracts outstanding includes cumulative appreciation (depreciation) as reported in the fund's Portfolio of Investments. Only the current day variation margin for futures contracts is separately reported within the fund's Statement of Assets and Liabilities.

The following table presents, by major type of derivative contract, the realized gain (loss) on derivatives held by the fund for the six months ended April 30, 2012 as reported in the Statement of Operations:

| <b>Risk</b>   | <b>Futures Contracts</b> |
|---------------|--------------------------|
| Interest Rate | \$(501,120)              |

**Table of Contents***Notes to Financial Statements (unaudited) continued*

The following table presents, by major type of derivative contract, the change in unrealized appreciation (depreciation) on derivatives held by the fund for the six months ended April 30, 2012 as reported in the Statement of Operations:

| Risk          | Futures Contracts |
|---------------|-------------------|
| Interest Rate | \$63,125          |

Derivative counterparty credit risk is managed through formal evaluation of the creditworthiness of all potential counterparties. On certain over-the-counter derivatives, the fund attempts to reduce its exposure to counterparty credit risk whenever possible by entering into an International Swaps and Derivatives Association (ISDA) Master Agreement on a bilateral basis with each of the counterparties with whom it undertakes a significant volume of transactions. The ISDA Master Agreement gives each party to the agreement the right to terminate all transactions traded under such agreement if there is a certain deterioration in the credit quality of the other party. The ISDA Master Agreement gives the fund the right, upon an event of default by the applicable counterparty or a termination of the agreement, to close out all transactions traded under such agreement and to net amounts owed under each transaction to one net amount payable by one party to the other. This right to close out and net payments across all transactions traded under the ISDA Master Agreement could result in a reduction of the fund's credit risk to such counterparty equal to any amounts payable by the fund under the applicable transactions, if any. However, absent an event of default by the counterparty or a termination of the agreement, the ISDA Master Agreement does not result in an offset of reported amounts of assets and liabilities in the Statement of Assets and Liabilities across transactions between the fund and the applicable counterparty.

Collateral requirements differ by type of derivative. Collateral or margin requirements are set by the broker or exchange clearing house for exchange traded derivatives (i.e., futures and exchange-traded options) while collateral terms are contract specific for over-the-counter traded derivatives (i.e., forward foreign currency exchange contracts, swaps and over-the-counter options). For derivatives traded under an ISDA Master Agreement, the collateral requirements are netted across all transactions traded under such agreement and one amount is posted from one party to the other to collateralize such obligations. Cash collateral that has been pledged to cover obligations of the fund under derivative contracts, if any, will be reported separately on the Statement of Assets and Liabilities as restricted cash. Securities collateral pledged for the same purpose, if any, is noted in the Portfolio of Investments.

**Futures Contracts** The fund entered into futures contracts which may be used to hedge against or obtain broad market exposure, interest rate exposure,

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*Notes to Financial Statements (unaudited) continued*

or to manage duration. A futures contract represents a commitment for the future purchase or sale of an asset at a specified price on a specified date.

Upon entering into a futures contract, the fund is required to deposit with the broker, either in cash or securities, an initial margin in an amount equal to a certain percentage of the notional amount of the contract. Subsequent payments (variation margin) are made or received by the fund each day, depending on the daily fluctuations in the value of the contract, and are recorded for financial statement purposes as unrealized gain or loss by the fund until the contract is closed or expires at which point the gain or loss on futures is realized.

The fund bears the risk of interest rates or securities prices moving unexpectedly, in which case, the fund may not achieve the anticipated benefits of the futures contracts and may realize a loss. While futures may present less counterparty risk to the fund since the contracts are exchange traded and the exchange's clearinghouse guarantees payments to the broker, there is still counterparty credit risk due to the insolvency of the broker. The fund's maximum risk of loss due to counterparty credit risk is equal to the margin posted by the fund to the broker plus any gains or minus any losses on the outstanding futures contracts.

**Inverse Floaters** The fund invests in municipal inverse floating rate securities which are structured by the issuer (known as primary market inverse floating rate securities) or by an investment banker utilizing municipal bonds which have already been issued (known as secondary market inverse floating rate securities) to have variable rates of interest which typically move in the opposite direction of short term interest rates. A secondary market inverse floating rate security is created when an investment banker transfers a fixed rate municipal bond to a special purpose trust, and causes the trust to (a) issue floating rate certificates to third parties, in an amount equal to a fraction of the par amount of the deposited bonds (these certificates usually pay tax-exempt interest at short-term interest rates that typically reset weekly; and the certificate holders typically, on seven days notice, have the option to tender their certificates to the investment banker or another party for redemption at par plus accrued interest), and (b) issue inverse floating rate certificates (sometimes referred to as inverse floaters). If the holder of the inverse floater transfers the municipal bonds to an investment banker for the purpose of depositing the municipal bonds into the special purpose trust, the inverse floating rate certificates that are issued by the trust are referred to as self-deposited inverse floaters. If the bonds held by the trust are purchased by the investment banker for deposit into the trust from someone other than the purchasers of the inverse floaters, the inverse floating rate certificates that are issued by the trust are referred to as externally deposited inverse floaters.

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*Notes to Financial Statements (unaudited) continued*

Such self-deposited inverse floaters held by the fund are accounted for as secured borrowings, with the municipal bonds reflected in the investments of the fund and amounts owed to the holder of the floating rate certificate under the provisions of the trust, which amounts are paid solely from the assets of the trust, reflected as liabilities of the fund in the Statement of Assets and Liabilities under the caption, Payable to the holder of the floating rate certificate from trust assets. The carrying value of the fund's payable to the holder of the floating rate certificate from trust assets as reported on the fund's Statement of Assets and Liabilities approximates its fair value. The payable to the holder of floating rate certificate from trust assets value as of reporting date is considered Level 2 under the fair value hierarchy. At April 30, 2012, the fund's payable to the holder of the floating rate certificate from trust assets was \$16,315,287 and the interest rate on these floating rate certificates issued by the trust was 0.31%. For the six months ended April 30, 2012, the average payable to the holder of the floating rate certificate from trust assets was \$16,311,838 at a weighted average interest rate of 0.67%. Interest expense and fees relate to interest payments made to the holder of certain floating rate certificates and associated fees, both of which are made from trust assets. Interest expense and fees are recorded as incurred. For the six months ended April 30, 2012, interest expense and fees in connection with self-deposited inverse floaters was \$54,877. Primary and externally deposited inverse floaters held by the fund are not accounted for as secured borrowings.

**Indemnifications** Under the fund's organizational documents, its officers and Trustees may be indemnified against certain liabilities and expenses arising out of the performance of their duties to the fund. Additionally, in the normal course of business, the fund enters into agreements with service providers that may contain indemnification clauses. The fund's maximum exposure under these agreements is unknown as this would involve future claims that may be made against the fund that have not yet occurred.

**Investment Transactions and Income** Investment transactions are recorded on the trade date. Interest income is recorded on the accrual basis. All premium and discount is amortized or accreted for financial statement purposes in accordance with U.S. generally accepted accounting principles. Dividend and interest payments received in additional securities are recorded on the ex-dividend or ex-interest date in an amount equal to the value of the security on such date. Debt obligations may be placed on non-accrual status or set to accrue at a rate of interest less than the contractual coupon when the collection of all or a portion of interest has become doubtful. Interest income for those debt obligations may be further reduced by the write-off of the related interest receivables when deemed uncollectible.

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*Notes to Financial Statements (unaudited) continued*

The fund may receive proceeds from litigation settlements. Any proceeds received from litigation involving portfolio holdings are reflected in the Statement of Operations in realized gain/loss if the security has been disposed of by the fund or in unrealized gain/loss if the security is still held by the fund. Any other proceeds from litigation not related to portfolio holdings are reflected as other income in the Statement of Operations.

Legal fees and other related expenses incurred to preserve and protect the value of a security owned are added to the cost of the security; other legal fees are expensed. Capital infusions made directly to the security issuer, which are generally non-recurring, incurred to protect or enhance the value of high-yield debt securities, are reported as additions to the cost basis of the security. Costs that are incurred to negotiate the terms or conditions of capital infusions or that are expected to result in a plan of reorganization are reported as realized losses. Ongoing costs incurred to protect or enhance an investment, or costs incurred to pursue other claims or legal actions, are expensed.

**Fees Paid Indirectly** The fund's custody fee may be reduced according to an arrangement that measures the value of cash deposited with the custodian by the fund. This amount, for the six months ended April 30, 2012, is shown as a reduction of total expenses on the Statement of Operations.

**Tax Matters and Distributions** The fund intends to qualify as a regulated investment company, as defined under Subchapter M of the Internal Revenue Code, and to distribute all of its taxable and tax-exempt income, including realized capital gains. As a result, no provision for federal income tax is required. The fund's federal tax returns, when filed, will remain subject to examination by the Internal Revenue Service for a three year period.

Distributions to shareholders are recorded on the ex-dividend date. Income and capital gain distributions are determined in accordance with income tax regulations, which may differ from U.S. generally accepted accounting principles. Certain capital accounts in the financial statements are periodically adjusted for permanent differences in order to reflect their tax character. These adjustments have no impact on net assets or net asset value per share. Temporary differences which arise from recognizing certain items of income, expense, gain or loss in different periods for financial statement and tax purposes will reverse at some time in the future. Distributions in excess of net investment income or net realized gains are temporary overdistributions for financial statement purposes resulting from differences in the recognition or classification of income or distributions for financial statement and tax purposes.

Book/tax differences primarily relate to expiration of capital loss carryforwards, amortization and accretion of debt securities, defaulted bonds and secured borrowings.



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Notes to Financial Statements (unaudited) continued

The tax character of distributions made during the current period will be determined at fiscal year end. The tax character of distributions declared to shareholders for the last fiscal year is as follows:

|  | <b>10/31/11</b>     |
|--|---------------------|
| Ordinary income (including any short-term capital gains) | \$180,713           |
| Tax-exempt income  | 20,751,071          |
| <b>Total distributions</b>                               | <b>\$20,931,784</b> |

The federal tax cost and the tax basis components of distributable earnings were as follows:

| <b>As of 4/30/12</b>                       |               |
|--|---------------|
| Cost of investments                        | \$380,944,405 |
| Gross appreciation                         | 29,166,184    |
| Gross depreciation                         | (11,053,773)  |
| Net unrealized appreciation (depreciation) | \$18,112,411  |

| <b>As of 10/31/11</b>                      |              |
|--|--------------|
| Undistributed ordinary income              | 139,516      |
| Undistributed tax-exempt income            | 3,945,376    |
| Capital loss carryforwards                 | (34,888,789) |
| Other temporary differences                | (403,199)    |
| Net unrealized appreciation (depreciation) | (2,996,022)  |

The aggregate cost above includes prior fiscal year end tax adjustments, if applicable.

Under the Regulated Investment Company Modernization Act of 2010 (the Act), net capital losses recognized after October 31, 2011 may be carried forward indefinitely, and their character is retained as short-term and/or long-term losses. Previously, net capital losses were carried forward for eight years and treated as short-term losses. As a transition rule, the Act requires that post-enactment net capital losses be used before pre-enactment net capital losses.

As of October 31, 2011 the fund had capital loss carryforwards available to offset future realized gains. Such losses expire as follows:

|                              |                       |
|------------------------------|-----------------------|
| <b>Pre-enactment losses:</b> |                       |
| 10/31/12                     | \$(1,858,513)         |
| 10/31/13                     | (9,679,589)           |
| 10/31/16                     | (3,401,503)           |
| 10/31/17                     | (6,820,113)           |
| 10/31/18                     | (7,829,561)           |
| 10/31/19                     | (5,299,510)           |
| <b>Total</b>                 | <b>\$(34,888,789)</b> |

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*Notes to Financial Statements (unaudited) continued*

**(3) Transactions with Affiliates**

**Investment Adviser** The fund has an investment advisory agreement with MFS to provide overall investment management and related administrative services and facilities to the fund. The management fee is computed daily and paid monthly at an annual rate of 0.40% of the fund's average weekly net assets (including the value of the auction preferred shares) and 6.32% of gross income. Gross income is calculated based on tax rules that generally include the amortization of premium and exclude the accretion of market discount, which may differ from investment income reported in the Statement of Operations. The management fee, from net assets and gross income, incurred for the six months ended April 30, 2012 was equivalent to an annual effective rate of 0.77% of the fund's average daily net assets (including the value of the auction preferred shares.)

The investment adviser has agreed in writing to pay a portion of the fund's total annual operating expenses, exclusive of interest, taxes, extraordinary expenses, brokerage and transaction costs, and investment-related expenses other than preferred shares service fee, such that the total annual fund operating expenses do not exceed 0.90% of the fund's average daily net assets (including the value of auction preferred shares). This written agreement will continue until modified by the fund's Board of Trustees, but such agreement will continue at least until October 31, 2012. For the six months ended April 30, 2012, this reduction amounted to \$44,302 and is reflected as a reduction of total expenses in the Statement of Operations.

**Transfer Agent** The fund engages Computershare Trust Company, N.A. ( Computershare ) as the sole transfer agent for the fund's common shares. MFS Service Center, Inc. (MFSC) monitors and supervises the activities of Computershare for an agreed upon fee approved by the Board of Trustees. For the six months ended April 30, 2012, these fees paid to MFSC amounted to \$12,853.

**Administrator** MFS provides certain financial, legal, shareholder communications, compliance, and other administrative services to the fund. Under an administrative services agreement, the fund partially reimburses MFS the costs incurred to provide these services. The fund is charged an annual fixed amount of \$17,500 plus a fee based on average daily net assets (including the value of auction preferred shares). The administrative services fee incurred for the six months ended April 30, 2012 was equivalent to an annual effective rate of 0.0177% of the fund's average daily net assets including the value of the auction preferred shares.

**Trustees and Officers Compensation** The fund pays compensation to independent Trustees in the form of a retainer, attendance fees, and additional compensation to Board and Committee chairpersons. The fund does not pay

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*Notes to Financial Statements (unaudited) continued*

compensation directly to Trustees or officers of the fund who are also officers of the investment adviser, all of whom receive remuneration for their services to the fund from MFS. Certain officers and Trustees of the fund are officers or directors of MFS and MFSC.

Prior to December 31, 2001, the fund had an unfunded defined benefit plan ( DB plan ) for independent Trustees. As of December 31, 2001, the Board took action to terminate the DB plan with respect to then-current and any future independent Trustees, such that the DB plan covers only certain of those former independent Trustees who retired on or before December 31, 2001. The DB plan resulted in a pension expense of \$1,362 and is included in independent Trustees' compensation for the six months ended April 30, 2012. The liability for deferred retirement benefits payable to certain independent Trustees under the DB plan amounted to \$45,980 at April 30, 2012, and is included in Payable for independent Trustees' compensation on the Statement of Assets and Liabilities.

**Other** This fund and certain other funds managed by MFS (the funds) have entered into services agreements (the Agreements) which provide for payment of fees by the funds to Tarantino LLC and Griffin Compliance LLC in return for the provision of services of an Independent Chief Compliance Officer (ICCO) and Assistant ICCO, respectively, for the funds. The ICCO and Assistant ICCO are officers of the funds and the sole members of Tarantino LLC and Griffin Compliance LLC, respectively. The funds can terminate the Agreements with Tarantino LLC and Griffin Compliance LLC at any time under the terms of the Agreements. For the six months ended April 30, 2012, the aggregate fees paid by the fund to Tarantino LLC and Griffin Compliance LLC were \$1,537 and are included in miscellaneous expense on the Statement of Operations. MFS has agreed to reimburse the fund for a portion of the payments made by the fund in the amount of \$490, which is shown as a reduction of total expenses in the Statement of Operations. Additionally, MFS has agreed to bear all expenses associated with office space, other administrative support, and supplies provided to the ICCO and Assistant ICCO.

The fund invests in the MFS Institutional Money Market Portfolio which is managed by MFS and seeks a high level of current income consistent with preservation of capital and liquidity. Income earned on this investment is included in dividends from underlying affiliated funds on the Statement of Operations. This money market fund does not pay a management fee to MFS.

**(4) Portfolio Securities**

Purchases and sales of investments, other than U.S. Government securities, purchased option transactions, and short-term obligations, aggregated \$49,238,980 and \$52,296,519, respectively.

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Notes to Financial Statements (unaudited) continued

**(5) Shares of Beneficial Interest**

The fund's Declaration of Trust permits the Trustees to issue an unlimited number of full and fractional shares of beneficial interest. The fund reserves the right to repurchase shares of beneficial interest of the fund subject to Trustee approval. During the six months ended April 30, 2012 and the year ended October 31, 2011, the fund did not repurchase any shares. Transactions in fund shares were as follows:

|  | Six months ended<br>4/30/12 |           | Year ended<br>10/31/11 |             |
|--|-----------------------------|-----------|------------------------|-------------|
|  | Shares                      | Amount    | Shares                 | Amount      |
| Shares issued to shareholders in reinvestment of distributions | 103,529                     | \$719,279 | 216,751                | \$1,401,642 |

**(6) Line of Credit**

The fund and certain other funds managed by MFS participate in a \$1.1 billion unsecured committed line of credit, subject to a \$1 billion sublimit, provided by a syndication of banks under a credit agreement. Borrowings may be made for temporary financing needs. Interest is charged to each fund, based on its borrowings, generally at a rate equal to the higher of the Federal Reserve funds rate or one month LIBOR plus an agreed upon spread. A commitment fee, based on the average daily, unused portion of the committed line of credit, is allocated among the participating funds at the end of each calendar quarter. In addition, the fund and other funds managed by MFS have established unsecured uncommitted borrowing arrangements with certain banks for temporary financing needs. Interest is charged to each fund, based on its borrowings, at a rate equal to the Federal Reserve funds rate plus an agreed upon spread. For the six months ended April 30, 2012, the fund's commitment fee and interest expense were \$997 and \$0, respectively, and are included in miscellaneous expense on the Statement of Operations.

**(7) Transactions in Underlying Affiliated Funds-Affiliated Issuers**

An affiliated issuer may be considered one in which the fund owns 5% or more of the outstanding voting securities, or a company which is under common control. For the purposes of this report, the fund assumes the following to be an affiliated issuer:

| Underlying Affiliated Fund               | Beginning<br>Shares/Par<br>Amount | Acquisitions<br>Shares/Par<br>Amount | Dispositions<br>Shares/Par<br>Amount | Ending<br>Shares/Par<br>Amount |
|--|-----------------------------------|--------------------------------------|--------------------------------------|--------------------------------|
| MFS Institutional Money Market Portfolio | 832,155                           | 41,823,654                           | (40,061,856)                         | 2,593,953                      |

  

| Underlying Affiliated Fund               | Realized<br>Gain (Loss) | Capital Gain<br>Distributions | Dividend<br>Income | Ending<br>Value |
|--|-------------------------|-------------------------------|--------------------|-----------------|
| MFS Institutional Money Market Portfolio | \$                      | \$                            | \$2,520            | \$2,593,953     |

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**Table of Contents***Notes to Financial Statements (unaudited) continued***(8) Auction Preferred Shares**

The fund has 2,275 shares issued and outstanding of Auction Preferred Shares (APS), series T, and 2,275 of APS, series TH. Dividends are cumulative at a rate that is reset every seven days for both series through an auction process. If the APS are unable to be remarketed on a remarketing date as part of the auction process, the fund would be required to pay the maximum applicable rate on APS to holders of such shares for successive dividend periods until such time when the shares are successfully remarketed. The maximum rate on APS rated aa3/AA- or better is equal to 110% of the higher of (i) the Taxable Equivalent of the Short-Term Municipal Bond Rate or (ii) the AA Composite Commercial Paper Rate.

Since February 2008, regularly scheduled auctions for APS issued by closed end funds, including this fund, have consistently failed because of insufficient demand (bids to buy shares) to meet the supply (shares offered for sale) at each auction. In a failed auction, APS holders cannot sell their shares tendered for sale. While repeated auction failures have affected the liquidity for APS, they do not constitute a default or automatically alter the credit quality of the APS, and APS holders have continued to receive dividends at the previously defined maximum rate. During the six months ended April 30, 2012, the APS dividend rates ranged from 0.11% to 0.38% for series T and from 0.11% to 0.40% for series TH. For the six months ended April 30, 2012, the average dividend rate was 0.22% for both series T and TH. These developments with respect to APS do not affect the management or investment policies of the fund. However, one implication of these auction failures for Common shareholders is that the fund's cost of leverage will be higher than it otherwise would have been had the auctions continued to be successful. As a result, the fund's future Common share earnings may be lower than they otherwise would have been. To the extent that investments are purchased with the issuance of preferred shares, the fund's net asset value will increase or decrease at a greater rate than a comparable unleveraged fund.

The fund pays an annual service fee to broker-dealers with customers who are beneficial owners of the preferred shares. The service fee is equivalent to 0.25% of the applicable preferred share liquidation value while the preferred share auctions are successful or to 0.15% or less, varying by broker-dealer, while the auctions are failing. The APS are redeemable at the option of the fund in whole or in part at the redemption price equal to \$25,000 per share, plus accumulated and unpaid dividends. The APS are also subject to mandatory redemption if certain requirements relating to its asset maintenance coverage are not satisfied. The fund is required to maintain certain asset coverage with respect to the APS as defined in the fund's By-Laws and the Investment Company Act of 1940 and, as such is not permitted to declare common share dividends unless the fund's APS have a minimum asset coverage ratio of 200% after declaration of the common share dividends.

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## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Trustees and Shareholders of MFS Municipal Income Trust:

We have reviewed the accompanying statement of assets and liabilities of MFS Municipal Income Trust (the "Trust"), including the portfolio of investments, as of April 30, 2012, and the related statement of operations, changes in net assets, and financial highlights for the six-month period ended April 30, 2012. These interim financial statements and financial highlights are the responsibility of the Trust's management.

We conducted our review in accordance with the standards of the Public Company Accounting Oversight Board (United States). A review of interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with the standards of the Public Company Accounting Oversight Board (United States), the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying interim financial statements and financial highlights referred to above for them to be in conformity with accounting principles generally accepted in the United States of America.

We have previously audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the statement of changes in net assets for the year ended October 31, 2011, and the financial highlights for each of the five years in the period ended October 31, 2011, and in our report dated December 16, 2011, we expressed an unqualified opinion on such statement of changes in net assets and financial highlights.

DELOITTE & TOUCHE LLP

Boston, Massachusetts

June 18, 2012

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### **BOARD REVIEW OF INVESTMENT ADVISORY AGREEMENT**

A discussion regarding the Board's most recent review and renewal of the fund's Investment Advisory Agreement with MFS is available by clicking on the fund's name under "Closed End Funds" in the "Products and Performance" section of the MFS Web site (*mfs.com*).

### **PROXY VOTING POLICIES AND INFORMATION**

A general description of the MFS funds' proxy voting policies and procedures is available without charge, upon request, by calling 1-800-225-2606, by visiting the Proxy Voting section of *mfs.com* or by visiting the SEC's Web site at <http://www.sec.gov>.

Information regarding how the fund voted proxies relating to portfolio securities during the twelve-month period ended June 30, 2011 is available without charge by visiting the Proxy Voting section of *mfs.com* or by visiting the SEC's Web site at <http://www.sec.gov>.

### **QUARTERLY PORTFOLIO DISCLOSURE**

The fund will file a complete schedule of portfolio holdings with the Securities and Exchange Commission (the Commission) for the first and third quarters of each fiscal year on Form N-Q. A shareholder can obtain the quarterly portfolio holdings report at *mfs.com*. The fund's Form N-Q is also available on the EDGAR database on the Commission's Internet Web site at <http://www.sec.gov>, and may be reviewed and copied at the:

Public Reference Room

Securities and Exchange Commission

100 F Street, NE, Room 1580

Washington, D.C. 20549

Information on the operation of the Public Reference Room may be obtained by calling the Commission at 1-800-SEC-0330. Copies of the fund's Form N-Q also may be obtained, upon payment of a duplicating fee, by electronic request at the following e-mail address: [publicinfo@sec.gov](mailto:publicinfo@sec.gov) or by writing the Public Reference Section at the above address.

### **FURTHER INFORMATION**

From time to time, MFS may post important information about the fund or the MFS funds on the MFS web site (*mfs.com*). This information is available by visiting the "News & Commentary" section of *mfs.com* or by clicking on the fund's name under "Closed End Funds" in the "Products and Performance" section of *mfs.com*.

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**CONTACT US**

**Transfer agent, Registrar, and**

**Dividend Disbursing Agent**

**Call**

1-800-637-2304

9 a.m. to 5 p.m. Eastern time

**Write**

Computershare Trust Company, N.A.

P.O. Box 43078

Providence, RI 02940-3078

New York Stock Exchange Symbol: **MFM**



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**ITEM 2. CODE OF ETHICS.**

During the period covered by this report, the Registrant has not amended any provision in its Code of Ethics (the "Code") that relates to an element of the Code's definitions enumerated in paragraph (b) of Item 2 of this Form N-CSR. During the period covered by this report, the Registrant did not grant a waiver, including an implicit waiver, from any provision of the Code.

**ITEM 3. AUDIT COMMITTEE FINANCIAL EXPERT.**

Not applicable for semi-annual reports.

**ITEM 4. PRINCIPAL ACCOUNTANT FEES AND SERVICES.**

Not applicable for semi-annual reports.

**ITEM 5. AUDIT COMMITTEE OF LISTED REGISTRANTS.**

Not applicable for semi-annual reports.

**ITEM 6. SCHEDULE OF INVESTMENTS**

A schedule of investments for each series of the Registrant is included as part of the report to shareholders of such series under Item 1 of this Form N-CSR.

**ITEM 7. DISCLOSURE OF PROXY VOTING POLICIES AND PROCEDURES FOR CLOSED-END MANAGEMENT INVESTMENT COMPANIES.**

Not applicable for semi-annual reports.

**ITEM 8. PORTFOLIO MANAGERS OF CLOSED-END MANAGEMENT INVESTMENT COMPANIES.**

There were no changes during this period.

**Table of Contents****ITEM 9. PURCHASES OF EQUITY SECURITIES BY CLOSED-END MANAGEMENT INVESTMENT COMPANY AND AFFILIATED PURCHASERS.**

| MFS Municipal Income Trust |  |   |  |  |
|----------------------------|--|---|--|--|
| Period                     | (a) Total number<br>of Shares<br>Purchased | (b) Average<br>Price<br>Paid per<br>Share | (c) Total<br>Number<br>of<br>Shares<br>Purchased as<br>Part of Publicly<br>Announced<br>Plans or<br>Programs | (d) Maximum<br>Number (or<br>Approximate<br>Dollar Value) of<br>Shares that May<br>Yet Be Purchased<br>under the<br>Plans<br>or Programs |
| 11/01/11-11/30/11          | 0  | N/A                                       | 0  | 4,074,913  |
| 12/01/11-12/31/11          | 0  | N/A                                       | 0  | 4,074,913  |
| 1/01/12-1/31/12            | 0  | N/A                                       | 0  | 4,074,913  |
| 2/01/12-2/28/12            | 0  | N/A                                       | 0  | 4,074,913  |
| 3/01/12-3/31/12            | 0  | N/A                                       | 0  | 4,096,445  |
| 4/01/12-4/30/12            | 0  | N/A                                       | 0  | 4,096,445  |
| <b>Total</b>               | <b>0</b>                                   |   | <b>0</b>   |  |

Note: The Board of Trustees approves procedures to repurchase shares annually. The notification to shareholders of the program is part of the semi-annual and annual reports sent to shareholders. These annual programs begin on March 1<sup>st</sup> of each year. The programs conform to the conditions of Rule 10b-18 of the securities Exchange Act of 1934 and limit the aggregate number of shares that may be purchased in each annual period (March 1 through the following February 28) to 10% of the Registrant's outstanding shares as of the first day of the plan year (March 1). The aggregate number of shares available for purchase for the March 1, 2012 plan year is 4,096,445.

**ITEM 10. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.**

There were no material changes to the procedures by which shareholders may send recommendations to the Board for nominees to the Registrant's Board since the Registrant last provided disclosure as to such procedures in response to the requirements of Item 407 (c)(2)(iv) of Regulation S-K or this Item.

**ITEM 11. CONTROLS AND PROCEDURES.**

- (a) Based upon their evaluation of the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940 (the Act)) as conducted within 90 days of the filing date of this Form N-CSR, the registrant's principal financial officer and principal executive officer have concluded that those disclosure controls and procedures provide reasonable assurance that the material information required to be disclosed by the registrant on this report is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms.
- (b) There were no changes in the registrant's internal controls over financial reporting (as defined in Rule 30a-3(d) under the Act) that occurred during the second fiscal quarter covered by the report that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

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**ITEM 12. EXHIBITS.**

- (a) File the exhibits listed below as part of this form. Letter or number the exhibits in the sequence indicated.
- (1) Any code of ethics, or amendment thereto, that is the subject of the disclosure required by Item 2, to the extent that the registrant intends to satisfy the Item 2 requirements through filing of an exhibit.
  - (2) A separate certification for each principal executive officer and principal financial officer of the registrant as required by Rule 30a-2(a) under the Act (17 CFR 270.30a-2): Attached hereto.
- (b) If the report is filed under Section 13(a) or 15(d) of the Exchange Act, provide the certifications required by Rule 30a-2(b) under the Act (17 CFR 270.30a-2(b)), Rule 13a-14(b) or Rule 15d-14(b) under the Exchange Act (17 CFR 240.13a-14(b) or 240.15d-14(b)) and Section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C. 1350) as an exhibit. A certification furnished pursuant to this paragraph will not be deemed filed for the purposes of Section 18 of the Exchange Act (15 U.S.C. 78r), or otherwise subject to the liability of that section. Such certification will not be deemed to be incorporated by reference into any filing under the Securities Act of 1933 or the Exchange Act, except to the extent that the registrant specifically incorporates it by reference: Attached hereto.

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**Notice**

A copy of the Amended and Restated Declaration of Trust of the Registrant is on file with the Secretary of State of the Commonwealth of Massachusetts and notice is hereby given that this instrument is executed on behalf of the Registrant by an officer of the Registrant as an officer and not individually and the obligations of or arising out of this instrument are not binding upon any of the Trustees or shareholders individually, but are binding only upon the assets and property of the respective constituent series of the Registrant.

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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 MFS MUNICIPAL INCOME TRUST

By (Signature and Title)\* JOHN M. CORCORAN  
John M. Corcoran, President

Date: June 18, 2012

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 (Signature and Title)\* JOHN M. CORCORAN  
John M. Corcoran, President  
(Principal Executive Officer)

Date: June 18, 2012

By (Signature and Title)\* DAVID L. DILORENZO  
David L. DiLorenzo, Treasurer  
(Principal Financial Officer  
and Accounting Officer)

Date: June 18, 2012

\* Print name and title of each signing officer under his or her signature.