

BLACKROCK MUNICIPAL INCOME TRUST
Form N-CSRS
December 28, 2010

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM N-CSRS

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

Investment Company Act file number 811-10339

Name of Fund: BlackRock Municipal Income Trust (BFK)

Fund Address: 100 Bellevue Parkway, Wilmington, DE 19809

Name and address of agent for service: Anne F. Ackerley, Chief Executive Officer, BlackRock
Municipal Income Trust, 55 East 52nd Street, New York, NY 10055

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Date of fiscal year end: 04/30/2011

Date of reporting period: 10/31/2010

Item 1 Report to Stockholders

Semi-Annual Report (Unaudited)

BlackRock Investment Quality Municipal Trust Inc. (BKN)

BlackRock Long-Term Municipal Advantage Trust (BTA)

BlackRock Municipal 2020 Term Trust (BKK)

BlackRock Municipal Income Trust (BFK)

BlackRock Pennsylvania Strategic Municipal Trust (BPS)

BlackRock Strategic Municipal Trust (BSD)

October 31, 2010

Not FDIC Insured No Bank Guarantee May Lose Value

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2 SEMI-ANNUAL REPORT

OCTOBER 31, 2010

Dear Shareholder

The global economic recovery that began in 2009 has continued on its choppy course this year, delivering mixed but slowly improving economic data and

gradual if uneven improvement of investor sentiment. The risks of a double-dip recession continue to recede, but the economy remains mired in a slow-

growth environment. In the United States, the National Bureau of Economic Research declared that the Great Recession ended in June 2009. Spanning

December 2007 to June 2009, this marked the longest reported recession since the Great Depression. Structural problems of ongoing deleveraging and

weak spending among businesses and households weigh heavily on the pace of economic growth. The unemployment rate remains stubbornly high in the

face of sluggish job gains in the private sector. The US dollar, along with other developed market currencies, has experienced devaluation resulting from

aggressively easy monetary and fiscal policies. Given these long-standing conditions, the Federal Reserve Board has announced that additional policy

action will be taken to combat deflation and unemployment and promote economic growth.

The high levels of volatility experienced in global equity markets throughout 2009 continued into 2010 as mixed economic data and lingering credit issues

caused stocks to trade in both directions, but by the end of the first quarter, most markets had managed to post gains. The second quarter, in contrast,

brought higher levels of volatility and a flight to quality as investor sentiment was dominated by fears of a double-dip recession. Global equity markets saw

negative quarterly returns and for many markets, the first significant downturn since the bull market began in March 2009. In the third quarter, economic

data turned less negative and strong corporate earnings reports became increasingly consistent. These factors, along with attractive valuations and expec-

tations for additional quantitative easing, drove equity markets higher, with most markets recapturing their second quarter losses. Stocks continued their

rally into the beginning of the fourth quarter, closing out the 12-month period in positive territory. International equities posted gains on both a six- and

12-month basis. In the United States, both large and small cap equities posted robust gains for the 12-month period, while on a six-month basis, large

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cap stocks remained relatively flat and small caps turned slightly negative.

In fixed income markets, yields fluctuated but declined significantly over the past 12 months amid heightened uncertainty. Weak economic data, lingering

credit problems and, near the end of the period, the expectation of additional quantitative easing drove interest rates lower and bond prices higher.

Treasuries rallied over the period, modestly outperforming the credit spread sectors of the market. Corporate credit spreads benefited from the low interest

rate environment and high yield fixed income became increasingly attractive due to declining default rates and better-than-expected results on European

bank stress tests. Tax-exempt municipal bonds performed well over the 12-month period, driven primarily by technical factors including favorable supply-

and-demand dynamics.

Cash investments, as represented by the 3-month Treasury bill, returned only a fraction over 0% for the 12-month period as short-term interest rates

remained low. Yields on money market securities remain near all-time lows.

Against this backdrop, the major market averages posted the following returns:

| Total Returns as of October 31, 2010 | 6-month | 12-month |
|---|----------------|-----------------|
| US large cap equities (S&P 500 Index) | 0.74% | 16.52% |
| US small cap equities (Russell 2000 Index) | (1.24) | 26.58 |
| International equities (MSCI Europe, Australasia, Far East Index) | 5.74 | 8.36 |
| 3-month Treasury bill (BofA Merrill Lynch 3-Month Treasury Bill Index) | 0.08 | 0.12 |
| US Treasury securities (BofA Merrill Lynch 10-Year US Treasury Index) | 10.63 | 10.03 |
| US investment grade bonds (Barclays Capital US Aggregate Bond Index) | 5.33 | 8.01 |
| Tax-exempt municipal bonds (Barclays Capital Municipal Bond Index) | 3.95 | 7.78 |
| US high yield bonds (Barclays Capital US Corporate High Yield 2% Issuer Capped Index) | 6.73 | 19.10 |

Past performance is no guarantee of future results. Index performance shown for illustrative purposes only. You cannot invest directly in an index.

As global economic conditions continue to improve, investors across the world continue to face uncertainty about the future of economic growth. Through

periods of uncertainty, as ever, BlackRock's full resources are dedicated to the management of our clients' assets. For additional market perspective and

investment insight, visit www.blackrock.com/shareholdermagazine, where you'll find the most recent issue of our award-winning Shareholder® magazine, as

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well as its quarterly companion newsletter, Shareholder Perspectives. As always, we thank you for entrusting BlackRock with your investments, and we look

forward to your continued partnership in the months and years ahead.

THIS PAGE NOT PART OF YOUR FUND REPORT

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Trust Summary as of October 31, 2010

BlackRock Investment Quality Municipal Trust Inc.

Trust Overview

BlackRock Investment Quality Municipal Trust Inc. s (BKN) (the Trust) investment objective is to provide high current income exempt from regular federal income tax consistent with the preservation of capital. The Trust seeks to achieve its investment objective by investing at least 80% of its assets in municipal obligations exempt from federal income taxes (except that the interest may be subject to the federal alternative minimum tax). Under normal market conditions, the Trust invests at least 80% of its assets in securities rated investment grade at the time of investment. The Trust may invest directly in such securities or synthetically through the use of derivatives.

No assurance can be given that the Trust s investment objective will be achieved.

Performance

For the six months ended October 31, 2010, the Trust returned 9.33% based on market price and 8.11% based on net asset value (NAV). For the same period, the closed-end Lipper General Municipal Debt Funds (Leveraged) category posted an average return of 7.68% based on market price and 6.42% based on NAV. All returns reflect reinvestment of dividends. The Trust's premium to NAV, which widened during the period, accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV. The Trust benefited from its moderately long duration (sensitivity to interest rates) relative to its Lipper category and fully invested posture (low cash balance) as bond prices rallied in the declining interest rate environment. The bond rally had a particularly strong impact on the Trust s recently purchased new-issue discount coupon bonds, which had been structured with the goal of creating greater potential for price appreciation when interest rates fall. The Trust s exposure to traditionally higher yielding sectors, including health, housing and corporate-related debt, enhanced performance as credit quality spreads tightened during the period. Conversely, the Trust s exposure to traditionally higher quality sectors, including tax-backed (state, county, city and school district), utilities and pre-refunded debt, detracted from performance as these sectors experienced weak demand while investors sought yield. In addition, the Trust s holdings of pre-refunded bonds had limited upward price movement in the declining interest rate environment due to their shorter maturity structure. The views expressed reflect the opinions of BlackRock as of the date of this report and are subject to change based on changes in market, economic or other conditions. These views are not intended to be a forecast of future events and are no guarantee of future results.

Trust Information

Symbol on New York Stock Exchange (NYSE)

BKN

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| | |
|---|-------------------|
| Initial Offering Date | February 19, 1993 |
| Yield on Closing Market Price as of October 31, 2010 (\$14.97) ¹ | 6.73% |
| Tax Equivalent Yield ² | 10.35% |
| Current Monthly Distribution per Common Share ³ | \$0.084 |
| Current Annualized Distribution per Common Share ³ | \$1.008 |
| Leverage as of October 31, 2010 ⁴ | 36% |

¹ Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.

² Tax equivalent yield assumes the maximum federal tax rate of 35%.

³ The distribution is not constant and is subject to change.

⁴ Represents Auction Market Preferred Shares (Preferred Shares) and tender option bond trusts (TOBs) as a percentage of total managed assets, which is the total assets of the Trust, including any assets attributable to Preferred Shares and TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Trust, please see The Benefits and Risks of Leveraging on page 10.

The table below summarizes the changes in the Trust's market price and NAV per share:

| | 10/31/10 | 4/30/10 | Change | High | Low |
|-----------------|----------|---------|--------|---------|---------|
| Market Price | \$14.97 | \$14.19 | 5.50% | \$15.31 | \$13.50 |
| Net Asset Value | \$14.27 | \$13.68 | 4.31% | \$14.45 | \$13.57 |

The following charts show the sector and credit quality allocations of the Trust's long-term investments:

Sector Allocations

| | 10/31/10 | 4/30/10 |
|--|----------|---------|
| Health | 27% | 25% |
| County/City/Special District/School District | 14 | 17 |
| State | 13 | 13 |
| Transportation | 11 | 9 |
| Education | 11 | 10 |
| Utilities | 8 | 9 |
| Corporate | 8 | 7 |
| Housing | 6 | 8 |
| Tobacco | 2 | 2 |

Credit Quality Allocations⁵

| | 10/31/10 | 4/30/10 |
|---------|----------|---------|
| AAA/Aaa | 4% | 18% |
| AA/Aa | 34 | 24 |

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| | | |
|------------------------|----|----|
| A | 34 | 33 |
| BBB/Baa | 15 | 14 |
| BB/Ba | 2 | 1 |
| B | 2 | 3 |
| CCC/Caa | 1 | |
| Not Rated ⁶ | 8 | 7 |

⁵ Using the higher of Standard & Poor's (S&P's) or Moody's Investors Service (Moody's) ratings.

⁶ The investment advisor has deemed certain of these securities to be of investment grade quality. As of October 31, 2010 and April 30, 2010, the market value of these securities was \$22,868,847 representing 6% and \$17,071,058 representing 5%, respectively, of the Trust's long-term investments.

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Trust Summary as of October 31, 2010

BlackRock Long-Term Municipal Advantage Trust

Trust Overview

BlackRock Long-Term Municipal Advantage Trust's (BTA) (the Trust) investment objective is to provide current income exempt from regular federal income tax. The Trust seeks to achieve its investment objective by investing, under normal market conditions, at least 80% of its assets in municipal obligations and derivative instruments with exposure to such municipal obligations, in each case that are exempt from federal income tax (except that the interest may be subject to the federal alternative minimum tax). The Trust invests, under normal market conditions, primarily in long-term municipal bonds with a maturity of more than ten years at the time of investment and, under normal market conditions, the Trust's municipal bond portfolio will have a dollar-weighted average maturity of greater than 10 years. The Trust may invest directly in such securities or synthetically through the use of derivatives.

No assurance can be given that the Trust's investment objective will be achieved.

Performance

For the six months ended October 31, 2010, the Trust returned 9.74% based on market price and 6.61% based on NAV. For the same period, the closed-end Lipper General Municipal Debt Funds (Leveraged) category posted an average return of 7.68% based on market price and 6.42% based on NAV. All returns reflect reinvestment of dividends. The Trust's discount to NAV, which narrowed during the period, accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV. The Trust's outperformance relative to its Lipper category was driven by sector allocation, particularly with respect to concentrations in health, education, and housing, all of which continued to perform well during the period. The Trust's focus on lower quality credits had a positive impact due to the ongoing contraction of credit quality spreads. In addition, the Trust's modestly long portfolio duration (sensitivity to interest rates) relative to the Lipper category average proved beneficial in the declining interest rate environment. Conversely, a concentration of holdings in longer dated issues detracted from performance as the intermediate range of the yield curve outperformed the longer end of the curve.

The views expressed reflect the opinions of BlackRock as of the date of this report and are subject to change based on changes in market, economic or other conditions. These views are not intended to be a forecast of future events and are no guarantee of future results.

Trust Information

Symbol on NYSE

BTA

Initial Offering Date

February 28, 2006

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| | |
|---|---------|
| Yield on Closing Market Price as of October 31, 2010 (\$11.45) ¹ | 6.39% |
| Tax Equivalent Yield ² | 9.83% |
| Current Monthly Distribution per Common Share ³ | \$0.061 |
| Current Annualized Distribution per Common Share ³ | \$0.732 |
| Leverage as of October 31, 2010 ⁴ | 36% |

¹ Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.

² Tax equivalent yield assumes the maximum federal tax rate of 35%.

³ The distribution is not constant and is subject to change.

⁴ Represents TOBs as a percentage of total managed assets, which is the total assets of the Trust, including any assets attributable to TOBs, minus the sum of accrued liabilities.

For a discussion of leveraging techniques utilized by the Trust, please see The Benefits and Risks of Leveraging on page 10.

The table below summarizes the changes in the Trust's market price and NAV per share:

| | 10/31/10 | 4/30/10 | Change | High | Low |
|-----------------|----------|---------|--------|---------|---------|
| Market Price | \$11.45 | \$10.77 | 6.31% | \$12.09 | \$10.52 |
| Net Asset Value | \$11.64 | \$11.27 | 3.28% | \$11.75 | \$11.20 |

The following charts show the sector and credit quality allocations of the Trust's long-term investments:

Sector Allocations

| | 10/31/10 | 4/30/10 |
|--|----------|---------|
| Health | 18% | 19% |
| Education | 15 | 16 |
| County/City/Special District/School District | 14 | 14 |
| Utilities | 12 | 10 |
| Transportation | 11 | 11 |
| State | 9 | 9 |
| Housing | 9 | 10 |
| Tobacco | 7 | 7 |
| Corporate | 5 | 4 |

Credit Quality Allocations⁵

| | 10/31/10 | 4/30/10 |
|---------|----------|---------|
| AAA/Aaa | 21% | 16% |
| AA/Aa | 39 | 45 |
| A | 10 | 9 |
| BBB/Baa | 10 | 8 |
| BB/Ba | 2 | 2 |

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| | | |
|------------------------|----|----|
| B | 2 | 2 |
| CCC/Caa | | 1 |
| Not Rated ⁶ | 16 | 17 |

⁵ Using the higher of S&P's or Moody's ratings.

⁶ The investment advisor has deemed certain of these securities to be of investment grade quality. As of October 31, 2010 and April 30, 2010, the market value of these securities was \$3,788,367 representing 2% and \$5,264,180 representing 2%, respectively, of the Trust's long-term investments.

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Trust Summary as of October 31, 2010

BlackRock Municipal 2020 Term Trust

Trust Overview

BlackRock Municipal 2020 Term Trust's (BKK) (the Trust) investment objectives are to provide current income exempt from regular federal income tax and to return \$15 per Common Share (the initial offering price per Common Share) to holders of Common Shares on or about December 31, 2020. The Trust seeks to achieve its investment objectives by investing, under normal market conditions, at least 80% of its assets in municipal bonds exempt from federal income taxes (except that the interest may be subject to the federal alternative minimum tax). The Trust invests, under normal market conditions, at least 80% of its assets in municipal bonds that are investment grade quality at the time of investment. The Trust may invest directly in such securities or synthetically through the use of derivatives.

No assurance can be given that the Trust's investment objective will be achieved.

Performance

For the six months ended October 31, 2010, the Trust returned 5.85% based on market price and 7.35% based on NAV. For the same period, the closed-end Lipper General Municipal Debt Funds (Leveraged) category posted an average return of 7.68% based on market price and 6.42% based on NAV. All returns reflect reinvestment of dividends. The Trust's premium to NAV, which narrowed during the period, accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV. The Trust benefited from declining interest rates pushing bond prices higher during the period. Although the Trust has a generally shorter maturity profile relative to its Lipper category, its positioning in the intermediate range of the yield curve had a positive impact as it outperformed the longer end of the curve. Also contributing to performance was an allocation to longer maturities in the high yield sector, which performed well. The Trust's concentrations in health and corporate-related debt also enhanced performance as these sectors performed well during the period. While the Trust's holdings of pre-refunded and escrowed issues continued to provide attractive yields on a book value basis, their shorter maturity structure limited their upward price movement in the declining interest rate environment, hindering relative performance.

The views expressed reflect the opinions of BlackRock as of the date of this report and are subject to change based on changes in market, economic or other conditions. These views are not intended to be a forecast of future events and are no guarantee of future results.

Trust Information

Symbol on NYSE

BKK

Initial Offering Date

September 30, 2003

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| | |
|---|-------------------|
| Termination Date (on or about) | December 31, 2020 |
| Yield on Closing Market Price as of October 31, 2010 (\$15.38) ¹ | 4.86% |
| Tax Equivalent Yield ² | 7.48% |
| Current Monthly Distribution per Common Share ³ | \$0.06225 |
| Current Annualized Distribution per Common Share ³ | \$0.74700 |
| Leverage as of October 31, 2010 ⁴ | 37% |

¹ Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.

² Tax equivalent yield assumes the maximum federal tax rate of 35%.

³ The distribution is not constant and is subject to change.

⁴ Represents Preferred Shares and TOBs as a percentage of total managed assets, which is the total assets of the Trust, including any assets attributable to Preferred Shares and

TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Trust, please see The Benefits and Risks of Leveraging on page 10.

The table below summarizes the changes in the Trust's market price and NAV per share:

| | 10/31/10 | 4/30/10 | Change | High | Low |
|-----------------|----------|---------|--------|---------|---------|
| Market Price | \$15.38 | \$14.89 | 3.29% | \$15.61 | \$14.71 |
| Net Asset Value | \$15.20 | \$14.51 | 4.76% | \$15.36 | \$14.50 |

The following charts show the sector and credit quality allocations of the Trust's long-term investments:

Sector Allocations

| | 10/31/10 | 4/30/10 |
|--|----------|---------|
| Corporate | 19% | 19% |
| Health | 15 | 15 |
| County/City/Special District/School District | 12 | 15 |
| Transportation | 12 | 11 |
| Utilities | 11 | 9 |
| State | 10 | 10 |
| Education | 9 | 9 |
| Tobacco | 7 | 7 |
| Housing | 5 | 5 |

Credit Quality Allocations⁵

| | 10/31/10 | 4/30/10 |
|---------|----------|---------|
| AAA/Aaa | 14% | 19% |
| AA/Aa | 17 | 10 |
| A | 25 | 23 |

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| | | |
|------------------------|----|----|
| BBB/Baa | 28 | 29 |
| BB/Ba | 3 | 3 |
| B | 4 | 4 |
| CC/Ca | 1 | |
| Not Rated ⁶ | 8 | 12 |

⁵ Using the higher of S&P's or Moody's ratings.

⁶ The investment advisor has deemed certain of these securities to be of investment grade quality. As of October 31, 2010 and April 30, 2010, the market value of these securities was \$11,556,921 representing 3% and \$11,978,514 representing 3%, respectively, of the Trust's long-term investments.

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OCTOBER 31, 2010

Trust Summary as of October 31, 2010

BlackRock Municipal Income Trust

Trust Overview

BlackRock Municipal Income Trust's (BFK) (the Trust) investment objective is to provide current income exempt from regular federal income tax. The Trust seeks to achieve its investment objective by investing primarily in municipal bonds exempt from federal income taxes (except that the interest may be subject to the federal alternative minimum tax). The Trust invests, under normal market conditions, at least 80% of its assets in municipal bonds that are investment grade quality at the time of investment. The Trust may invest directly in such securities or synthetically through the use of derivatives.

No assurance can be given that the Trust's investment objective will be achieved.

Performance

For the six months ended October 31, 2010, the Trust returned 8.25% based on market price and 6.83% based on NAV. For the same period, the closed-end Lipper General Municipal Debt Funds (Leveraged) category posted an average return of 7.68% based on market price and 6.42% based on NAV. All returns reflect reinvestment of dividends. The Trust's premium to NAV, which widened during the period, accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV. The Trust's outperformance relative to its Lipper category was driven by sector allocation, particularly with respect to concentrations in health, transportation, and corporate-related debt, all of which continued to perform well during the period. The Trust's focus on lower quality credits had a positive impact due to the ongoing contraction of credit quality spreads. In addition, the Trust's modestly long portfolio duration (sensitivity to interest rates) relative to the Lipper category average proved beneficial in the declining interest rate environment. Conversely, a concentration of holdings in longer dated issues detracted from performance as the intermediate range of the yield curve outperformed the longer end of the curve. The views expressed reflect the opinions of BlackRock as of the date of this report and are subject to change based on changes in market, economic or other conditions. These views are not intended to be a forecast of future events and are no guarantee of future results.

Trust Information

| | |
|---|---------------|
| Symbol on NYSE | BFK |
| Initial Offering Date | July 27, 2001 |
| Yield on Closing Market Price as of October 31, 2010 (\$14.05) ¹ | 6.71% |
| Tax Equivalent Yield ² | 10.32% |
| Current Monthly Distribution per Common Share ³ | \$0.0786 |
| Current Annualized Distribution per Common Share ³ | \$0.9432 |

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Leverage as of October 31, 2010⁴

36%

¹ Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.

² Tax equivalent yield assumes the maximum federal tax rate of 35%.

³ A change in the distribution rate was declared on December 6, 2010. The Monthly Distribution per Common Share was increased to \$0.0801. The Yield on Closing Market Price,

Current Monthly Distribution per Common Share and Current Annualized Distribution per Common Share do not reflect the new distribution rate.

The new distribution rate is not con-

stant is subject to further change in the future.

⁴ Represents Preferred Shares and TOBs as a percentage of total managed assets, which is the total assets of the Trust, including any assets attributable to Preferred Shares and

TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Trust, please see The Benefits and Risks of Leveraging on page 10.

The table below summarizes the changes in the Trust's market price and NAV per share:

| | 10/31/10 | 4/30/10 | Change | High | Low |
|-----------------|----------|---------|--------|---------|---------|
| Market Price | \$14.05 | \$13.44 | 4.54% | \$14.65 | \$13.15 |
| Net Asset Value | \$13.65 | \$13.23 | 3.17% | \$13.79 | \$13.10 |

The following charts show the sector and credit quality allocations of the Trust's long-term investments:

Sector Allocations

| | 10/31/10 | 4/30/10 |
|--|----------|---------|
| Health | 18% | 18% |
| State | 14 | 14 |
| Corporate | 13 | 12 |
| Transportation | 12 | 13 |
| Utilities | 12 | 11 |
| County/City/Special District/School District | 11 | 11 |
| Education | 10 | 11 |
| Housing | 6 | 6 |
| Tobacco | 4 | 4 |

Credit Quality Allocations⁵

| | 10/31/10 | 4/30/10 |
|---------|----------|---------|
| AAA/Aaa | 12% | 18% |
| AA/Aa | 31 | 25 |
| A | 26 | 27 |
| BBB/Baa | 15 | 16 |
| BB/Ba | 3 | 1 |

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| | | |
|------------------------|---|---|
| B | 6 | 7 |
| CCC/Caa | 1 | 1 |
| Not Rated ⁶ | 6 | 5 |

⁵ Using the higher of S&P's or Moody's ratings.

⁶ The investment advisor has deemed certain of these securities to be of investment grade quality. As of October 31, 2010 and April 30, 2010, the market value of these securities was \$18,900,156 representing 2% and \$16,636,260 representing 2%, respectively, of the Trust's long-term investments.

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Trust Summary as of October 31, 2010

BlackRock Pennsylvania Strategic Municipal Trust

Trust Overview

BlackRock Pennsylvania Strategic Municipal Trust's (BPS) (the Trust) investment objectives are to provide current income that is exempt from regular federal and Pennsylvania income taxes and to invest in municipal bonds that over time will perform better than the broader Pennsylvania municipal bond market. The Trust seeks to achieve its investment objective by investing, under normal market conditions, primarily in municipal bonds exempt from federal income taxes (except that the interest may be subject to the federal alternative minimum tax) and Pennsylvania income taxes. The Trust invests, under normal market conditions, at least 80% of its assets in municipal bonds that are investment grade quality at the time of investment. The Trust may invest directly in such securities or synthetically through the use of derivatives.

No assurance can be given that the Trust's investment objective will be achieved.

Performance

For the six months ended October 31, 2010, the Trust returned 7.74% based on market price and 6.63% based on NAV. For the same period, the closed-end Lipper Pennsylvania Municipal Debt Funds category posted an average return of 9.65% based on market price and 5.84% based on NAV. All returns reflect reinvestment of dividends. The Trust's premium to NAV, which widened during the period, accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV. The Trust benefited from its duration and positioning on the yield curve as the portfolio was constructed to benefit from declining interest rates. The tax-exempt municipal market in general benefited from the Build America Bond Program, which alleviated supply pressure in the tax-exempt space, especially on the long end of the yield curve. The Trust's holdings of health and housing bonds contributed positively to performance as credit quality spreads generally tightened in these sectors during the period. Detracting from performance was the Trust's exposure to bonds with short call features, which did not fully benefit from the price appreciation that occurred among bonds with longer call dates and non-callable bonds. The views expressed reflect the opinions of BlackRock as of the date of this report and are subject to change based on changes in market, economic or other conditions. These views are not intended to be a forecast of future events and are no guarantee of future results.

Trust Information

| | |
|---|-----------------|
| Symbol on NYSE Amex | BPS |
| Initial Offering Date | August 25, 1999 |
| Yield on Closing Market Price as of October 31, 2010 (\$14.50) ¹ | 6.08% |

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| | |
|---|----------|
| Tax Equivalent Yield ² | 9.35% |
| Current Monthly Distribution per Common Share ³ | \$0.0735 |
| Current Annualized Distribution per Common Share ³ | \$0.8820 |
| Leverage as of October 31, 2010 ⁴ | 41% |

¹ Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.

² Tax equivalent yield assumes the maximum federal tax rate of 35%.

³ A change in the distribution rate was declared on December 6, 2010. The Monthly Distribution per Common Share was increased to \$0.0760. The Yield on Closing Market Price,

Current Monthly Distribution per Common Share and Current Annualized Distribution per Common Share do not reflect the new distribution rate.

The new distribution rate is not constant and is subject to further change in the future.

⁴ Represents Preferred Shares and TOBs as a percentage of total managed assets, which is the total assets of the Trust, including any assets attributable to Preferred Shares and

TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Trust, please see The Benefits and Risks of Leveraging on page 10.

The table below summarizes the changes in the Trust's market price and NAV per share:

| | 10/31/10 | 4/30/10 | Change | High | Low |
|-----------------|----------|---------|--------|---------|---------|
| Market Price | \$14.50 | \$13.88 | 4.47% | \$15.02 | \$13.12 |
| Net Asset Value | \$14.33 | \$13.86 | 3.39% | \$14.50 | \$13.79 |

The following charts show the sector and credit quality allocations of the Trust's long-term investments:

Sector Allocations

| | 10/31/10 | 4/30/10 |
|--|----------|---------|
| Health | 30% | 31% |
| Housing | 15 | 16 |
| State | 15 | 15 |
| Education | 13 | 14 |
| Transportation | 11 | 10 |
| County/City/Special District/School District | 8 | 8 |
| Utilities | 6 | 5 |
| Corporate | 2 | 1 |

Credit Quality Allocations⁵

| | 10/31/10 | 4/30/10 |
|---------|----------|---------|
| AAA/Aaa | 8% | 18% |
| AA/Aa | 50 | 40 |
| A | 24 | 21 |

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| | | |
|------------------------|----|----|
| BBB/Baa | 13 | 15 |
| BB/Ba | 1 | 1 |
| Not Rated ⁶ | 4 | 5 |

⁵ Using the higher of S&P's or Moody's ratings.

⁶ The investment advisor has deemed certain of these securities to be of investment grade quality. As of October 31, 2010 and April 30, 2010, the market value of these securities was \$1,799,144 representing 4% and \$2,069,225 representing 5%, respectively, of the Trust's long-term investments.

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Trust Summary October 31, 2010

BlackRock Strategic Municipal Trust

Trust Overview

BlackRock Strategic Municipal Trust's (BSD) (the Trust) investment objective is to provide current income that is exempt from regular federal income tax and to invest in municipal bonds that over time will perform better than the broader municipal bond market. The Trust seeks to achieve its investment objective by investing, primarily in municipal bonds exempt from federal income taxes (except that the interest may be subject to the federal alternative minimum tax). Under normal market conditions, the Trust expects to be fully invested (at least 95% of its net assets) in securities exempt from regular federal income taxes. The Trust invests at least 80% of its assets in investment grade quality securities at the time of investment and, under normal market conditions, primarily invests in municipal bonds with long-term maturities in order to maintain a weighted average maturity of 15 years or more. The Trust may invest directly in such securities or synthetically through the use of derivatives. No assurance can be given that the Trust's investment objective will be achieved.

Performance

For the six months ended October 31, 2010, the Trust returned 7.48% based on market price and 6.83% based on NAV. For the same period, the closed-end Lipper General Municipal Debt Funds (Leveraged) category posted an average return of 7.68% based on market price and 6.42% based on NAV. All returns reflect reinvestment of dividends. The Trust moved from a discount to NAV to a premium by period end, which accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV. The Trust's outperformance relative to its Lipper category was driven by sector allocation, particularly with respect to concentrations in health, transportation, and corporate-related debt, all of which continued to perform well during the period. The Trust's focus on lower quality credits had a positive impact due to the ongoing contraction of credit quality spreads. In addition, the Trust's modestly long portfolio duration (sensitivity to interest rates) relative to the Lipper category average proved beneficial in the declining interest rate environment. Conversely, a concentration of holdings in longer dated issues detracted from performance as the intermediate range of the yield curve outperformed the longer end of the curve. The views expressed reflect the opinions of BlackRock as of the date of this report and are subject to change based on changes in market, economic or other conditions. These views are not intended to be a forecast of future events and are no guarantee of future results.

Trust Information

Symbol on NYSE

BSD

Initial Offering Date

August 25, 1999

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| | |
|---|----------|
| Yield on Closing Market Price as of October 31, 2010 (\$13.47) ¹ | 6.46% |
| Tax Equivalent Yield ² | 9.94% |
| Current Monthly Distribution per Common Share ³ | \$0.0725 |
| Current Annualized Distribution per Common Share ³ | \$0.8700 |
| Leverage as of October 31, 2010 ⁴ | 37% |

¹ Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.

² Tax equivalent yield assumes the maximum federal tax rate of 35%.

³ A change in the distribution rate was declared on December 6, 2010. The Monthly Distribution per Common Share was increased to \$0.0740. The Yield on Closing Market Price,

Current Monthly Distribution per Common Share and Current Annualized Distribution per Common Share do not reflect the new distribution rate.

The new distribution rate is not con-

stant is subject to further change in the future.

⁴ Represents Preferred Shares and TOBs as a percentage of total managed assets, which is the total assets of the Trust, including any assets attributable to Preferred Shares and

TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Trust, please see The Benefits and Risks of Leveraging on page 10.

The table below summarizes the changes in the Trust's market price and NAV per share:

| | 10/31/10 | 4/30/10 | Change | High | Low |
|-----------------|----------|---------|--------|---------|---------|
| Market Price | \$13.47 | \$12.95 | 4.02% | \$13.94 | \$11.77 |
| Net Asset Value | \$13.44 | \$13.00 | 3.38% | \$13.60 | \$12.84 |

The following charts show the sector and credit quality allocations of the Trust's long-term investments:

Sector Allocations

| | 10/31/10 | 4/30/10 |
|--|----------|---------|
| Health | 23% | 21% |
| Transportation | 14 | 16 |
| County/City/Special District/School District | 13 | 12 |
| Education | 12 | 12 |
| State | 10 | 11 |
| Corporate | 10 | 9 |
| Utilities | 9 | 9 |
| Housing | 7 | 7 |
| Tobacco | 2 | 3 |

Credit Quality Allocations⁵

| | 10/31/10 | 4/30/10 |
|---------|----------|---------|
| AAA/Aaa | 18% | 27% |

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| | | |
|------------------------|----|----|
| AA/Aa | 36 | 26 |
| A | 21 | 22 |
| BBB/Baa | 12 | 14 |
| BB/Ba | 2 | 1 |
| B | 4 | 4 |
| CCC/Caa | 1 | 1 |
| Not Rated ⁶ | 6 | 5 |

⁵ Using the higher of S&P's or Moody's ratings.

⁶ The investment advisor has deemed certain of these securities to be of investment grade quality. As of October 31, 2010 and April 30, 2010, the market value of these securities was \$2,771,205 representing 2% and \$2,354,758 representing 2%, respectively, of the Trust's long-term investments.

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The Benefits and Risks of Leveraging

The Trusts may utilize leverage to seek to enhance the yield and NAV of their Common Shares. However, these objectives cannot be achieved in all interest rate environments.

To leverage, all the Trusts, except for BTA, issue Preferred Shares, which pay dividends at prevailing short-term interest rates, and invest the proceeds in long-term municipal bonds. In general, the concept of leveraging is based on the premise that the cost of assets to be obtained from leverage will be based on short-term interest rates, which normally will be lower than the income earned by each Trust on its longer-term portfolio investments. To the extent that the total assets of each Trust (including the assets obtained from leverage) are invested in higher-yielding portfolio investments, each Trust's Common Shareholders will benefit from the incremental net income.

To illustrate these concepts, assume a Trust's Common Shares capitalization is \$100 million and it issues Preferred Shares for an additional \$50 million, creating a total value of \$150 million available for investment in long-term municipal bonds. If prevailing short-term interest rates are 3% and long-term interest rates are 6%, the yield curve has a strongly positive slope. In this case, the Trust pays dividends on the \$50 million of Preferred Shares based on the lower short-term interest rates. At the same time, the securities purchased by the Trust with assets received from Preferred Shares issuance earn the income based on long-term interest rates. In this case, the dividends paid to Preferred Shareholders are significantly lower than the income earned on the Trust's long-term investments, and therefore the Common Shareholders are the beneficiaries of the incremental net income.

If short-term interest rates rise, narrowing the differential between short-term and long-term interest rates, the incremental net income pickup on the Common Shares will be reduced or eliminated completely. Furthermore, if prevailing short-term interest rates rise above long-term interest rates of 6%, the yield curve has a negative slope. In this case, the Trust pays dividends on the higher short-term interest rates whereas the Trust's total portfolio earns income based on lower long-term interest rates.

Furthermore, the value of a Trust's portfolio investments generally varies inversely with the direction of long-term interest rates, although other factors can influence the value of portfolio investments. In contrast, the redemption value of the Trust's Preferred Shares does not fluctuate in relation to interest rates. As a result, changes in interest rates can influence the Trust's NAV positively or negatively in addition to the impact on Trust performance from leverage from Preferred Shares discussed above.

The Trusts may also leverage their assets through the use of tender option bond (TOB) programs, as described in Note 1 of the Notes to Financial Statements. TOB investments generally will provide the Trusts with economic

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benefits in periods of declining short-term interest rates, but expose the Trusts to risks during periods of rising short-term interest rates similar to

those associated with Preferred Shares issued by the Trusts, as described above. Additionally, fluctuations in the market value of municipal bonds deposited into the TOB trust may adversely affect each Trust's NAVs per share.

The use of leverage may enhance opportunities for increased income to the Trusts and Common Shareholders, but as described above, it also creates risks as short- or long-term interest rates fluctuate. Leverage also will generally cause greater changes in the Trusts' NAV, market price and dividend rate than a comparable portfolio without leverage. If the income derived from securities purchased with assets received from leverage exceeds the cost of leverage, the Trusts' net income will be greater than if leverage had not been used. Conversely, if the income from the securities purchased is not sufficient to cover the cost of leverage, each Trust's net income will be less than if leverage had not been used, and therefore the amount available for distribution to Common Shareholders will be reduced. Each Trust may be required to sell portfolio securities at inopportune times or at distressed values in order to comply with regulatory requirements applicable to the use of leverage or as required by the terms of leverage instruments, which may cause a Trust to incur losses. The use of leverage may limit each Trust's ability to invest in certain types of securities or use certain types of hedging strategies, such as in the case of certain restrictions imposed by ratings agencies that rate Preferred Shares issued by the Trusts. Each Trust will incur expenses in connection with the use of leverage, all of which are borne by Common Shareholders and may reduce income to the Common Shares.

Under the Investment Company Act of 1940, the Trusts are permitted to issue Preferred Shares in an amount of up to 50% of their total managed assets at the time of issuance. Under normal circumstances, each Trust anticipates that the total economic leverage from Preferred Shares and/or TOBs will not exceed 50% of its total managed assets at the time such leverage is incurred. As of October 31, 2010, the Trusts had economic leverage from Preferred Shares and/or TOBs as a percentage of their total managed assets as follows:

| | Percent of Leverage |
|-----|--------------------------------|
| BKN | 36% |
| BTA | 36% |
| BKK | 37% |
| BFK | 36% |
| BPS | 41% |
| BSD | 37% |

Derivative Financial Instruments

The Trusts may invest in various derivative instruments, including financial futures contracts, as specified in Note 2 of the Notes to Financial Statements, which may constitute forms of economic leverage. Such instruments are used to obtain exposure to a market without owning or taking physical custody of securities or to hedge market and/or interest rate risks. Such derivative instruments involve risks, including the imperfect correlation between the value of a derivative instrument and the underlying asset or illiquidity of the derivative instrument. The Trusts' ability to successfully use a derivative instrument depends on the investment advisor's ability to accu-

ately predict pertinent market movements, which cannot be assured. The use of derivative instruments may result in losses greater than if they had not been used, may require the Trusts to sell or purchase portfolio investments at inopportune times or for distressed values, may limit the amount of appreciation the Trusts can realize on an investment, may result in lower dividends paid to shareholders or may cause the Trusts to hold an investment that they might otherwise sell. The Trusts' investments in these instruments are discussed in detail in the Notes to Financial Statements.

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OCTOBER 31, 2010

Schedule of Investments October 31, 2010 (Unaudited)

BlackRock Investment Quality Municipal Trust Inc. (BKN)

(Percentages shown are based on Net Assets)

| | Par (000) | Value |
|--|--------------|--------------|
| Municipal Bonds | | |
| Alabama 2.7% | | |
| Birmingham Special Care Facilities Financing Authority, RB, Children s Hospital (AGC): | | |
| 6.00%, 6/01/34 | \$ 1,745 | \$ 1,925,765 |
| 6.00%, 6/01/39 | 500 | 549,035 |
| Hoover City Board of Education, GO, Refunding, | | |
| 4.25%, 2/15/40 | 4,300 | 4,118,970 |
| | | 6,593,770 |
| Arizona 5.2% | | |
| Mohave County Unified School District No. 20 Kingman, GO, School Improvement Project of 2006, Series C (AGC), 5.00%, 7/01/26 | | |
| | 1,800 | 1,963,782 |
| Pima County IDA, Refunding IDRDB, Tucson Electric Power, 5.75%, 9/01/29 | | |
| | 1,375 | 1,420,897 |
| Salt Verde Financial Corp., RB, Senior: | | |
| 5.00%, 12/01/32 | 1,035 | 1,000,038 |
| 5.00%, 12/01/37 | 4,585 | 4,312,926 |
| San Luis Facility Development Corp., RB, Senior Lien, Regional Detention Center Project: | | |
| 6.25%, 5/01/15 | 490 | 476,848 |
| 7.00%, 5/01/20 | 490 | 476,785 |
| 7.25%, 5/01/27 | 980 | 926,100 |
| State of Arizona, COP, Department of Administration, Series A (AGM), 5.00%, 10/01/29 | | |
| | 1,100 | 1,136,740 |
| University Medical Center Corp. Arizona, RB, 6.50%, 7/01/39 | | |
| | 750 | 815,663 |
| | | 12,529,779 |
| California 23.0% | | |
| California County Tobacco Securitization Agency, RB, CAB, Stanislaus, Sub-Series C, 6.30%, 6/01/55 (a) | | |
| | 7,090 | 86,853 |
| Carlsbad Unified School District, GO, Election of 2006, Series B, 6.09%, 5/01/34 (b) | | |
| | 1,500 | 949,110 |
| County of Sacramento California, RB, Senior Series A | | |

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| | | |
|--|-------|-----------|
| (AGM), 5.00%, 7/01/41 | 2,000 | 2,039,440 |
| Dinuba Unified School District, GO, Election of 2006 (AGM): | | |
| 5.63%, 8/01/31 | 250 | 268,278 |
| 5.75%, 8/01/33 | 535 | 572,915 |
| Foothill Eastern Transportation Corridor Agency California, Refunding RB: | | |
| 5.75%, 1/15/40 | 3,495 | 3,447,922 |
| CAB, 5.88%, 7/15/28 | 7,000 | 7,104,230 |
| Golden State Tobacco Securitization Corp. California, Refunding RB, Asset-Backed, Senior Series A-1, | | |
| 5.13%, 6/01/47 | 805 | 577,088 |
| Hartnell Community College District California, GO, CAB, Election of 2002, Series D, 7.54%, 8/01/34 (a) | | |
| | 2,475 | 1,341,326 |

| Municipal Bonds | Par (000) | Value |
|--|----------------------|--------------|
| California (concluded) | | |
| Los Altos Elementary School District, GO, CAB, Election of 1998, Series B (NPFGC), 5.93%, 8/01/13 (a)(c) | \$ 10,945 | \$ 5,729,051 |
| Norwalk-La Mirada Unified School District California, GO, Refunding, CAB, Election of 2002, Series E (AGC), 6.47%, 8/01/38 (a) | 12,000 | 2,209,800 |
| Palomar Community College District, GO, CAB, Election of 2006, Series B (d): | | |
| 5.35%, 8/01/30 (a) | 2,270 | 701,952 |
| 5.78%, 8/01/39 (b) | 3,000 | 1,221,210 |
| San Diego Community College District California, GO, CAB, Election of 2002, 6.26%, 8/01/19 (b) | 4,200 | 2,679,432 |
| State of California, GO: | | |
| Refunding (CIFG), 4.50%, 8/01/28 | 1,000 | 972,510 |
| Various Purpose, 5.75%, 4/01/31 | 3,000 | 3,266,940 |
| Various Purpose, 5.00%, 6/01/32 | 4,545 | 4,600,767 |
| Various Purpose, 6.00%, 3/01/33 | 3,220 | 3,698,621 |
| Various Purpose, 6.50%, 4/01/33 | 2,900 | 3,409,443 |
| Various Purpose, 5.50%, 3/01/40 | 3,650 | 3,876,920 |
| Various Purpose (CIFG), 5.00%, 3/01/33 | 5,000 | 5,026,750 |
| University of California, RB, Limited Project, Series B, 4.75%, 5/15/38 | 2,050 | 2,065,232 |
| | | 55,845,790 |

Colorado 1.0%

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Sand Creek Metropolitan District, GO, Refunding,

Limited Tax, Series B:

| | | |
|-----------------|-------|-----------|
| 4.75%, 12/01/35 | 1,400 | 1,327,228 |
| 5.00%, 12/01/40 | 1,200 | 1,167,192 |
| | | 2,494,420 |

Connecticut 0.6%

Connecticut State Health & Educational Facility Authority,

RB, Fairfield University, New Money, Series O,

| | | |
|----------------|-------|-----------|
| 5.00%, 7/01/35 | 1,300 | 1,358,747 |
|----------------|-------|-----------|

District of Columbia 2.0%

District of Columbia Tobacco Settlement Financing Corp.,

Refunding RB, Asset-Backed, 6.50%, 5/15/33

| | | |
|--|-------|-----------|
| | 4,960 | 4,902,018 |
|--|-------|-----------|

Florida 11.4%

County of Miami-Dade Florida, RB, CAB, Sub-Series A

(NPFGC) (a):

| | | |
|-----------------|--------|-----------|
| 5.20%, 10/01/32 | 4,225 | 1,058,194 |
| 5.21%, 10/01/33 | 4,000 | 928,080 |
| 5.21%, 10/01/34 | 4,580 | 969,724 |
| 5.20%, 10/01/35 | 5,000 | 992,350 |
| 5.23%, 10/01/36 | 10,000 | 1,856,300 |
| 5.24%, 10/01/37 | 10,000 | 1,686,400 |

Portfolio Abbreviations

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

| | | | |
|--------------|---|----------------|---|
| ACA | American Capital Access Corp. | HDA | Housing Development Authority |
| AGC | Assured Guaranty Corp. | HFA | Housing Finance Agency |
| AGM | Assured Guaranty Municipal Corp. | HRB | Housing Revenue Bonds |
| AMBAC | American Municipal Bond Assurance Corp. | IDA | Industrial Development Authority |
| AMT | Alternative Minimum Tax (subject to) | IDB | Industrial Development Board |
| ARS | Auction Rate Securities | IDRB | Industrial Development Revenue Bonds |
| CAB | Capital Appreciation Bonds | ISD | Independent School District |
| CIFG | CDC IXIS Financial Guaranty | MRB | Mortgage Revenue Bonds |
| COP | Certificates of Participation | NPFGC | National Public Finance Guarantee Corp. |
| EDA | Economic Development Authority | PILOT | Payment in Lieu of Taxes |
| EDC | Economic Development Corp. | PSF-GTD | Permanent School Fund Guaranteed |
| ERB | Economic Revenue Bonds | RB | Revenue Bonds |
| FGIC | Financial Guaranty Insurance Co. | S/F | Single Family |
| FHA | Federal Housing Administration | TE | Tax Exempt |

GO General Obligation Bonds

See Notes to Financial Statements.

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Schedule of Investments (continued)

BlackRock Investment Quality Municipal Trust Inc. (BKN)

(Percentages shown are based on Net Assets)

| | Par (000) | Value |
|---|--------------|--------------|
| Municipal Bonds | | |
| Florida (concluded) | | |
| County of Orange Florida, Refunding RB (Syncora), 4.75%, 10/01/32 | \$ 5,000 | \$ 5,028,000 |
| Hillsborough County IDA, RB, National Gypsum Co., Series A, AMT, 7.13%, 4/01/30 | 3,700 | 3,606,834 |
| Miami Beach Health Facilities Authority, RB, Mount Sinai Medical Center of Florida, 6.75%, 11/15/21 | 1,845 | 1,927,545 |
| Sumter Landing Community Development District Florida, RB, Sub-Series B, 5.70%, 10/01/38 | 3,585 | 2,982,397 |
| Village Community Development District No. 6, Special Assessment Bonds, 5.63%, 5/01/22 | 6,620 | 6,620,728 |
| | | 27,656,552 |
| Georgia 1.4% | | |
| City of Atlanta Georgia, RB (AGM), 5.00%, 11/01/34 | 1,500 | 1,525,005 |
| Milledgeville & Baldwin County Development Authority, RB, Georgia College & State University Foundation, 6.00%, 9/01/14 (c) | 1,500 | 1,800,345 |
| | | 3,325,350 |
| Hawaii 1.0% | | |
| Hawaii State Department of Budget & Finance, Refunding RB, Hawaiian Electric Co. Inc, Series D, AMT (AMBAC), 6.15%, 1/01/20 | 2,500 | 2,504,925 |
| Idaho 1.4% | | |
| Idaho Health Facilities Authority, RB, St. Luke's Regional Medical Center (AGM), 5.00%, 7/01/35 | 650 | 665,483 |
| Idaho Health Facilities Authority, Refunding RB, Trinity Health Group, Series B, 6.25%, 12/01/33 | 2,500 | 2,802,950 |
| | | 3,468,433 |
| Illinois 8.4% | | |
| Chicago Public Building Commission Building Illinois, RB, Series A (NPFGC), 7.00%, 1/01/20 (e) | 5,000 | 6,559,350 |
| Illinois Finance Authority, RB: MJH Education Assistance IV LLC, Sub-Series B, | | |

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| | | |
|--|-------|------------|
| 5.38%, 6/01/35 (f)(g) | 700 | 188,986 |
| Navistar International, Recovery Zone, 6.50%, 10/15/40 | 1,925 | 1,997,207 |
| Northwestern Memorial Hospital, Series A, 5.50%, 8/15/14 (c) | 5,800 | 6,743,428 |
| Roosevelt University Project, 6.50%, 4/01/44 | 1,500 | 1,604,565 |
| Rush University Medical Center, Series C, 6.63%, 11/01/39 | 1,200 | 1,316,340 |
| Illinois Finance Authority, Refunding RB, Series A: Friendship Village Schaumburg, 5.63%, 2/15/37 | 345 | 284,625 |
| OSF Healthcare System, 6.00%, 5/15/39 | 1,550 | 1,635,157 |
| | | 20,329,658 |

Indiana 0.6%

| | | |
|--|-------|-----------|
| Indiana Finance Authority, Refunding RB, Improvement, U.S. Steel Corp., 6.00%, 12/01/26 | 1,350 | 1,436,954 |
|--|-------|-----------|

Iowa 1.3%

| | | |
|--|-------|-----------|
| Iowa Higher Education Loan Authority, Refunding RB, Private College Facility: 5.75%, 9/01/30 | 1,465 | 1,504,745 |
| 6.00%, 9/01/39 | 1,500 | 1,557,780 |
| | | 3,062,525 |

Kansas 0.9%

| | | |
|---|-------|-----------|
| Kansas Development Finance Authority, RB, University of Kansas Tenant, Series O, 4.75%, 6/15/41 | 1,000 | 1,016,230 |
| Kansas Development Finance Authority, Refunding RB, Sisters of Leavenworth, Series A, 5.00%, 1/01/28 | 1,155 | 1,207,656 |
| | | 2,223,886 |

| Municipal Bonds | Par (000) | Value |
|--|----------------------|--------------|
| Kentucky 3.0% | | |
| Kentucky Economic Development Finance Authority, RB, Louisville Arena, Sub-Series A-1 (AGC), 6.00%, 12/01/38 | \$ 700 | \$ 755,636 |
| Kentucky Economic Development Finance Authority, Refunding RB, Norton Healthcare Inc., Series B (NPFGC), 6.19%, 10/01/23 (a) | 8,500 | 4,225,265 |
| Louisville/Jefferson County Metropolitan Government, Refunding RB, Jewish Hospital & St. Mary's HealthCare, 6.13%, 2/01/37 | 2,250 | 2,393,797 |

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7,374,698

Louisiana 1.5%

| | | |
|---|-------|-----------|
| Louisiana Public Facilities Authority, Refunding RB, Entergy Gulf States Louisiana, LLC Project, Series A, 5.00%, 9/01/28 | 3,000 | 3,035,760 |
| New Orleans Aviation Board, Refunding RB, Passenger Facility Charge, Series A, 5.13%, 1/01/36 | 600 | 603,228 |
| | | 3,638,988 |

Maryland 2.0%

| | | |
|--|-------|-----------|
| Maryland EDC, Refunding RB, CNX Marine Terminals, Inc., 5.75%, 9/01/25 | 780 | 796,380 |
| Maryland Health & Higher Educational Facilities Authority, Refunding RB, Doctor s Community Hospital, 5.63%, 7/01/30 | 4,100 | 4,101,148 |
| | | 4,897,528 |

Michigan 4.3%

| | | |
|---|-------|------------|
| Michigan State Building Authority, Refunding RB, Facilities Program, Series I, 6.25%, 10/15/38 | 1,875 | 2,092,481 |
| Michigan State Hospital Finance Authority, Refunding RB: Henry Ford Health System, Series A, 5.25%, 11/15/46 | 1,670 | 1,666,727 |
| Hospital, Henry Ford Health, 5.75%, 11/15/39 | 3,360 | 3,474,744 |
| Royal Oak Hospital Finance Authority Michigan, Refunding RB, William Beaumont Hospital, 8.25%, 9/01/39 | 2,750 | 3,305,665 |
| | | 10,539,617 |

Minnesota 2.0%

| | | |
|---|-------|-----------|
| City of Minneapolis Minnesota, Refunding RB, Fairview Health Services, Series B (AGC), 6.50%, 11/15/38 | 3,500 | 3,988,250 |
| Minnesota Higher Education Facilities Authority, RB, Gustavus Adolphus Child & Family Services, Inc., Series 7-B, 4.75%, 10/01/35 | 875 | 887,049 |
| | | 4,875,299 |

Mississippi 3.5%

| | | |
|--|-------|-----------|
| Mississippi Development Bank Special Obligation, RB (AGC): Jackson County Limited Tax Note, 5.50%, 7/01/32 | 2,655 | 2,855,559 |
| Jones County Junior College, 5.13%, 3/01/39 | 1,500 | 1,550,790 |
| University of Southern Mississippi, RB, Campus Facilities Improvements Project, 5.38%, 9/01/36 | 3,750 | 4,069,462 |
| | | 8,475,811 |

Missouri 1.1%

Missouri Joint Municipal Electric Utility Commission, RB,

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| | | |
|--|-------|-----------|
| Plum Point Project (NPFGC), 4.60%, 1/01/36 | 2,790 | 2,544,647 |
| Montana 1.5% | | |
| Montana Facility Finance Authority, Refunding RB, Sisters of Leavenworth, Series A, 4.75%, 1/01/40 | 3,450 | 3,569,094 |
| Multi-State 2.9% | | |
| Centerline Equity Issuer Trust, 7.60%, 12/15/50 (h)(i) | 7,000 | 7,028,280 |
| Nebraska 0.3% | | |
| Douglas County Hospital Authority No. 2, RB, Health Facilities, Immanuel Obligation Group, 5.50%, 1/01/30 | 575 | 598,477 |

See Notes to Financial Statements.

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OCTOBER 31, 2010

Schedule of Investments (continued)

BlackRock Investment Quality Municipal Trust Inc. (BKN)

(Percentages shown are based on Net Assets)

| | Par (000) | Value |
|---|--------------|--------------|
| Municipal Bonds | | |
| Nevada 0.4% | | |
| County of Clark Nevada, Refunding RB, Alexander Dawson School Nevada Project, 5.00%, 5/15/29 | \$ 1,065 | \$ 1,080,411 |
| New Jersey 4.4% | | |
| Middlesex County Improvement Authority, RB, Subordinate, Heldrich Center Hotel, Series B, 6.25%, 1/01/37 | 1,510 | 225,881 |
| New Jersey EDA, RB, Cigarette Tax, 5.75%, 6/15/29 | 7,000 | 6,889,470 |
| New Jersey Educational Facilities Authority, Refunding RB, University of Medicine & Dentistry, Series B: 7.13%, 12/01/23 | 950 | 1,123,223 |
| 7.50%, 12/01/32 | 1,225 | 1,421,784 |
| New Jersey State Housing & Mortgage Finance Agency, RB, Series AA, 6.50%, 10/01/38 | 1,010 | 1,093,143 |
| | | 10,753,501 |
| New Mexico 1.4% | | |
| Village of Los Ranchos de Albuquerque New Mexico, Refunding RB, Albuquerque Academy Project, 4.50%, 9/01/40 | 3,500 | 3,388,105 |
| New York 6.3% | | |
| Albany Industrial Development Agency, RB, New Covenant Charter School Project, Series A, 7.00%, 5/01/35 (f)(g) | 725 | 289,971 |
| Long Island Power Authority, Refunding RB, Series A: 6.25%, 4/01/33 | 480 | 559,925 |
| 5.75%, 4/01/39 | 2,475 | 2,746,161 |
| Metropolitan Transportation Authority, Refunding RB, Series A, 5.13%, 1/01/29 | 1,000 | 1,031,670 |
| New York City Industrial Development Agency, RB: American Airlines Inc., JFK International Airport, AMT, 7.63%, 8/01/25 (j) | 2,600 | 2,743,416 |
| Queens Baseball Stadium, PILOT (AGC), 6.50%, 1/01/46 | 1,100 | 1,232,198 |
| New York Liberty Development Corp., RB, Goldman Sachs Headquarters, 5.25%, 10/01/35 | 2,000 | 2,090,000 |

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| | | |
|---|-------|------------|
| New York Liberty Development Corp., Refunding RB, Second Priority, Bank of America Tower at One Bryant Park Project, 6.38%, 7/15/49 | 1,250 | 1,339,288 |
| New York State Dormitory Authority, RB: 5.83%, 7/01/39 (b) | 1,000 | 879,420 |
| Rochester Institute of Technology, Series A, 6.00%, 7/01/33 | 1,625 | 1,810,542 |
| University of Rochester, Series A, 5.13%, 7/01/39 | 550 | 584,573 |
| | | 15,307,164 |

North Carolina 7.5%

| | | |
|---|-------|------------|
| City of Charlotte North Carolina, Refunding RB, Series A, 5.50%, 7/01/34 | 325 | 351,562 |
| Gaston County Industrial Facilities & Pollution Control Financing Authority North Carolina, RB, Exempt Facilities, National Gypsum Co. Project, AMT, 5.75%, 8/01/35 | 2,425 | 2,008,070 |
| North Carolina Capital Facilities Finance Agency, RB, Duke Energy Carolinas, Series B, 4.38%, 10/01/31 | 4,775 | 4,681,792 |
| North Carolina Medical Care Commission, RB, Series A: Novant Health Obligation, 4.75%, 11/01/43 (d) | 6,000 | 5,768,100 |
| WakeMed, (AGC), 5.88%, 10/01/38 | 1,000 | 1,051,100 |
| North Carolina Medical Care Commission, Refunding RB: Caromont Health (AGC), 4.50%, 2/15/30 | 1,000 | 997,130 |
| Caromont Health (AGC), 4.63%, 2/15/35 | 1,400 | 1,388,408 |
| University Health System, Series D, 6.25%, 12/01/33 | 1,750 | 1,932,052 |
| | | 18,178,214 |

| Municipal Bonds | Par (000) | Value |
|------------------------|----------------------|--------------|
|------------------------|----------------------|--------------|

Ohio 4.3%

| | | |
|---|----------|--------------|
| County of Cuyahoga Ohio, Refunding RB, Series A, 6.00%, 1/01/21 | \$ 5,000 | \$ 5,469,800 |
| County of Lucas Ohio, GO, Various Purpose, 5.00%, 10/01/40 | 600 | 627,516 |
| Ohio Higher Educational Facility Commission, Refunding RB, Summa Health System, 2010 Project (AGC), 5.25%, 11/15/40 | 600 | 615,060 |
| State of Ohio, Refunding RB, Kenyon College Project, 5.00%, 7/01/41 | 3,595 | 3,678,476 |
| | | 10,390,852 |

Oklahoma 1.2%

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| | | |
|---|-------|------------|
| Tulsa Airports Improvement Trust, RB, Series A, Mandatory | | |
| Put Bonds, AMT, 7.75%, 6/01/35 (j) | 2,900 | 2,998,745 |
| Oregon 1.7% | | |
| Oregon Health & Science University, RB, Series A, 5.75%, 7/01/39 | 2,250 | 2,451,645 |
| Oregon State Facilities Authority, Refunding RB, Limited College Project, Series A: 5.00%, 10/01/34 | 1,150 | 1,161,604 |
| 5.25%, 10/01/40 | 500 | 511,630 |
| | | 4,124,879 |
| Pennsylvania 8.1% | | |
| Delaware River Port Authority, RB: Port District Project, Series B (AGM), 5.70%, 1/01/22 | 2,000 | 2,003,460 |
| Series D (AGC), 5.00%, 1/01/40 | 3,640 | 3,803,145 |
| McKeesport Area School District, GO, CAB (FGIC) (a): 5.53%, 10/01/31 (e) | 870 | 366,870 |
| 5.53%, 10/01/31 | 2,435 | 768,316 |
| Pennsylvania Economic Development Financing Authority, RB: Amtrak Project, Series A, AMT, 6.25%, 11/01/31 | 2,000 | 2,031,520 |
| Amtrak Project, Series A, AMT, 6.38%, 11/01/41 | 3,100 | 3,148,143 |
| Aqua Pennsylvania Inc. Project, Series B, 4.50%, 12/01/42 (d) | 3,000 | 2,862,750 |
| Reliant Energy, Series A, AMT, 6.75%, 12/01/36 | 4,645 | 4,784,164 |
| | | 19,768,368 |
| Puerto Rico 3.7% | | |
| Puerto Rico Electric Power Authority, Refunding RB, Series UU (AGM), 5.00%, 7/01/23 | 1,900 | 2,044,761 |
| Puerto Rico Housing Finance Authority, Refunding RB, Subordinate, Capital Fund Modernization, 5.13%, 12/01/27 | 2,500 | 2,560,550 |
| Puerto Rico Sales Tax Financing Corp., RB, First Sub-Series A, 5.75%, 8/01/37 | 3,000 | 3,257,370 |
| Puerto Rico Sales Tax Financing Corp., Refunding RB, CAB, Series A (NPFGC), 5.76%, 8/01/41 (a) | 7,500 | 1,204,725 |
| | | 9,067,406 |
| Rhode Island 3.0% | | |
| Rhode Island Health & Educational Building Corp., RB, Hospital Financing, LifeSpan Obligation, Series A (AGC), 7.00%, 5/15/39 | 3,000 | 3,519,180 |
| Rhode Island Health & Educational Building Corp., Refunding RB, Hospital, Lifespan (NPFGC), | | |

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| | | |
|--|-------|-----------|
| 5.50%, 5/15/16 | 200 | 200,396 |
| Rhode Island Housing & Mortgage Finance Corp., RB, Homeownership Opportunity, Series 54, AMT, | | |
| 4.85%, 10/01/41 | 2,165 | 2,128,130 |
| State of Rhode Island, COP, Series C, School for the Deaf (AGC), 5.38%, 4/01/28 | 1,330 | 1,442,797 |
| | | 7,290,503 |

See Notes to Financial Statements.

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OCTOBER 31, 2010

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Schedule of Investments (continued)

BlackRock Investment Quality Municipal Trust Inc. (BKN)

(Percentages shown are based on Net Assets)

| | Par (000) | Value |
|---|--------------|--------------|
| Municipal Bonds | | |
| South Carolina 6.2% | | |
| County of Florence South Carolina, RB, McLeod Regional Medical Center, Series A, 5.00%, 11/01/37 | \$ 3,200 | \$ 3,237,696 |
| South Carolina Jobs-EDA, Refunding RB: Palmetto Health Alliance, Series A, 6.25%, 8/01/31 | 2,185 | 2,248,627 |
| Palmetto Health, Series C, 6.88%, 8/01/13 (c) | 3,560 | 4,121,910 |
| Palmetto Health, Series C, 6.88%, 8/01/13 (c) | 440 | 511,936 |
| South Carolina State Housing Finance & Development Authority, Refunding RB, Series A-2, AMT (AMBAC), 5.15%, 7/01/37 | 4,975 | 5,030,173 |
| | | 15,150,342 |
| Tennessee 1.5% | | |
| Memphis-Shelby County Airport Authority, RB, Series D, AMT (AMBAC), 6.00%, 3/01/24 | 1,360 | 1,369,643 |
| Memphis-Shelby County Sports Authority Inc., Refunding RB, Memphis Arena Project, Series A: 5.25%, 11/01/27 | 1,135 | 1,211,317 |
| 5.38%, 11/01/28 | 1,000 | 1,072,620 |
| | | 3,653,580 |
| Texas 8.5% | | |
| Harris County Health Facilities Development Corp., Refunding RB, Memorial Hermann Healthcare System, Series B: 7.13%, 12/01/31 | 1,000 | 1,149,950 |
| 7.25%, 12/01/35 | 2,650 | 3,042,545 |
| Harris County-Houston Sports Authority, Refunding RB, CAB, Senior Lien, Series A (NPFGC), 6.18%, 11/15/38 (a) | 5,000 | 716,300 |
| Lower Colorado River Authority, Refunding RB: (AMBAC), 4.75%, 5/15/36 | 2,000 | 2,002,080 |
| (NPFGC), 5.00%, 5/15/13 (c) | 20 | 22,133 |
| Series A (NPFGC), 5.00%, 5/15/13 (c) | 5 | 5,533 |
| Matagorda County Navigation District No. 1 Texas, Refunding RB, Central Power & Light Co. Project, | | |

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| | | |
|--|--------|--------------------|
| Series A, 6.30%, 11/01/29 | 2,200 | 2,431,022 |
| San Antonio Energy Acquisition Public Facility Corp., RB, Gas Supply, 5.50%, 8/01/24 | 2,550 | 2,757,443 |
| Texas Private Activity Bond Surface Transportation Corp., RB, Senior Lien, LBJ Infrastructure Group LLC, LBJ Freeway Managed Lanes Project, 7.00%, 6/30/40 | 3,000 | 3,260,940 |
| Texas State Turnpike Authority, RB (AMBAC): CAB, 6.05%, 8/15/31 (a) | 15,000 | 4,129,650 |
| First Tier, Series A, 5.00%, 8/15/42 | 1,250 | 1,215,775 |
| | | 20,733,371 |
| Virginia 1.4% | | |
| Henrico County EDA, RB, Bon Secours Health, Series B-1 (AGC), 4.50%, 11/01/42 | 1,285 | 1,242,672 |
| Tobacco Settlement Financing Corp. Virginia, Refunding RB, Senior Series B1, 5.00%, 6/01/47 | 2,900 | 2,035,974 |
| | | 3,278,646 |
| Washington 0.9% | | |
| Washington Health Care Facilities Authority, RB, MultiCare Health System, Series B (AGC), 6.00%, 8/15/39 | 2,100 | 2,290,533 |
| Wisconsin 1.9% | | |
| Wisconsin Health & Educational Facilities Authority, RB, Aurora Health Care, 6.40%, 4/15/33 | 3,220 | 3,310,353 |
| Wisconsin Housing & EDA, Refunding RB, Series A, AMT, 4.75%, 9/01/33 | 1,250 | 1,249,925 |
| | | 4,560,278 |
| Wyoming 0.8% | | |
| County of Sweetwater Wyoming, Refunding RB, Idaho Power Co. Project, 5.25%, 7/15/26 | 1,800 | 1,944,774 |
| Total Municipal Bonds 146.2% | | 355,234,918 |

| Municipal Bonds Transferred to | Par | |
|--|--------------|--------------|
| Tender Option Bond Trusts (k) | (000) | Value |
| Colorado 2.2% | | |
| Colorado Health Facilities Authority, RB, Catholic Health, Series C-7 (AGM), 5.00%, 9/01/36 | \$ 5,250 | \$ 5,395,425 |
| Illinois 1.4% | | |
| Chicago Housing Authority, Refunding RB (AGM), 5.00%, 7/01/24 | 3,194 | 3,382,550 |
| Massachusetts 1.3% | | |
| Massachusetts Water Resources Authority, Refunding RB, | | |

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| | | |
|---|---------------|---------------|
| General, Series A, 5.00%, 8/01/41 | 3,070 | 3,216,592 |
| New York 3.9% | | |
| New York City Municipal Water Finance Authority, RB: | | |
| Fiscal 2009, Series A, 5.75%, 6/15/40 | 690 | 787,979 |
| Series FF-2, 5.50%, 6/15/40 | 810 | 914,039 |
| New York City Municipal Water Finance Authority, | | |
| Refunding RB, Series A, 4.75%, 6/15/30 | 4,000 | 4,218,240 |
| New York State Dormitory Authority, RB, New York | | |
| University, Series A, 5.00%, 7/01/38 | 3,359 | 3,547,135 |
| | | 9,467,393 |
| Ohio 1.9% | | |
| County of Montgomery Ohio, RB, Catholic Health, | | |
| Series C-1 (AGM), 5.00%, 10/01/41 | 1,740 | 1,778,175 |
| Ohio Higher Educational Facility Commission, | | |
| Refunding RB, Hospital, Cleveland Clinic Health, | | |
| Series A, 5.25%, 1/01/33 | 2,600 | 2,747,602 |
| | | 4,525,777 |
| Total Municipal Bonds Transferred to | | |
| Tender Option Bond Trusts 10.7% | | 25,987,737 |
| Total Long-Term Investments | | |
| (Cost \$369,433,588) 156.9% | | 381,222,655 |
| Short-Term Securities | | |
| | Shares | |
| FFI Institutional Tax-Exempt Fund, 0.13% (l)(m) | 1,875,347 | 1,875,347 |
| Total Short-Term Securities | | |
| (Cost \$1,875,347) 0.8% | | 1,875,347 |
| Total Investments (Cost \$371,308,935*) 157.7% | | |
| | | 383,098,002 |
| Liabilities in Excess of Other Assets (0.4)% | | |
| | | (1,062,361) |
| Liability for Trust Certificates, Including Interest | | |
| Expense and Fees Payable (5.4)% | | (13,148,235) |
| Preferred Shares, at Redemption Value (51.9)% | | (125,957,626) |
| Net Assets Applicable to Common Shares 100.0% | | \$242,929,780 |

* The cost and unrealized appreciation (depreciation) of investments as of October 31, 2010, as computed for federal income tax purposes, were as follows:

| | | |
|-------------------------------|--|----------------|
| Aggregate cost | | \$ 357,734,619 |
| Gross unrealized appreciation | | \$ 20,951,328 |
| Gross unrealized depreciation | | (8,725,346) |
| Net unrealized appreciation | | \$ 12,225,982 |

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(a) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.

(b) Represents a step-up bond that pays an initial coupon rate for the first period and then a higher coupon rate for the following periods. Rate shown reflects the current yield as of report date.

(c) US government securities, held in escrow, are used to pay interest on this security as well as to retire the bond in full at the date indicated, typically at a premium to par.

See Notes to Financial Statements.

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Schedule of Investments (concluded)

BlackRock Investment Quality Municipal Trust Inc. (BKN)

(d) When-issued security. Unsettled when-issued transactions were as follows:

| Counterparty | Value | Unrealized |
|---------------------------|-------------|--------------------------------|
| | | Appreciation (Depreciation) |
| JPMorgan Securities | \$5,768,100 | \$ 9,360 |
| RBC Capital | \$1,923,162 | \$ 6,515 |
| Jefferies & Company, Inc. | \$2,862,750 | \$ (14,370) |

(e) Security is collateralized by Municipal or US Treasury obligations.

(f) Issuer filed for bankruptcy and/or is in default of interest payments.

(g) Non-income producing security.

(h) Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration to qualified institutional investors.

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

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

(k) Securities represent bonds transferred to a tender option bond trust in exchange for which the Trust acquired residual interest certificates. These securities serve as collateral in a financing transaction. See Note 1 of the Notes to Financial Statements for details of municipal bonds transferred to tender option bond trusts.

(l) Investments in companies considered to be an affiliate of the Trust during the period, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

| Affiliate | Shares Held at | Net Activity | Shares Held at | Income |
|--------------------------------------|-------------------|-----------------|---------------------|----------|
| | April 30, 2010 | | October 31, 2010 | |
| FFI Institutional Tax-Exempt Fund | 7,659,955 | (5,784,608) | 1,875,347 | \$ 3,824 |

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

Fair Value Measurements Various inputs are used in determining the fair value of investments, which are as follows:

Level 1 price quotations in active markets/exchanges for identical assets and liabilities

Level 2 other observable inputs (including, but not limited to: quoted prices for

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

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

The inputs or methodologies used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. For information about the Trust's policy regarding valuation of investments and other significant accounting policies, please refer to Note 1 of the Notes to Financial Statements.

The following table summarizes the inputs used as of October 31, 2010 in determining the fair valuation of the Trust's investments:

| Valuation Inputs | Level 1 | Level 2 | Level 3 | Total |
|----------------------------|---------------------|----------------------|---------|----------------------|
| Assets: | | | | |
| Investments in Securities: | | | | |
| Long-Term | | | | |
| Investments ¹ | | \$381,222,655 | | \$381,222,655 |
| Short-Term | | | | |
| Securities | \$ 1,875,347 | | | \$ 1,875,347 |
| Total | \$ 1,875,347 | \$381,222,655 | | \$383,098,002 |

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

See Notes to Financial Statements.

SEMI-ANNUAL REPORT

OCTOBER 31, 2010

Schedule of Investments October 31, 2010 (Unaudited)

BlackRock Long-Term Municipal Advantage Trust (BTA)

(Percentages shown are based on Net Assets)

| | Par (000) | Value |
|---|--------------|------------|
| Municipal Bonds | | |
| Arizona 3.8% | | |
| Maricopa County Pollution Control Corp., Refunding RB, Southern California Edison Co., Series A, 5.00%, 6/01/35 | \$ 585 | \$ 597,946 |
| Pima County IDA, RB, Tucson Electric Power Co., Series A, 5.25%, 10/01/40 | 1,345 | 1,338,907 |
| Pima County IDA, Refunding IDRB, Tucson Electric Power, 5.75%, 9/01/29 | 380 | 392,684 |
| Pima County IDA, Refunding RB, Arizona Charter Schools Project, Series O, 5.25%, 7/01/31 | 1,000 | 890,050 |
| Salt River Project Agricultural Improvement & Power District, RB, Series A, 5.00%, 1/01/38 | 665 | 701,402 |
| Salt Verde Financial Corp., RB, Senior, 5.00%, 12/01/37 | 2,090 | 1,965,980 |
| | | 5,886,969 |
| California 8.0% | | |
| California Health Facilities Financing Authority, Refunding RB, Series A: | | |
| Catholic Healthcare West, 6.00%, 7/01/39 | 680 | 740,295 |
| St. Joseph Health System, 5.75%, 7/01/39 | 385 | 409,263 |
| California HFA, RB, AMT, Home Mortgage: Series G, 5.50%, 8/01/42 | 2,380 | 2,347,632 |
| Series K, 5.50%, 2/01/42 | 840 | 857,069 |
| California State Public Works Board, RB, Various Capital Projects, Sub-Series I-1, 6.38%, 11/01/34 | 400 | 438,428 |
| California Statewide Communities Development Authority, Refunding RB, Senior Living, Southern California: 6.25%, 11/15/19 | 1,000 | 1,075,070 |
| 6.63%, 11/15/24 | 540 | 587,633 |
| Los Angeles Department of Airports, RB, Series A, 5.25%, 5/15/39 | 270 | 284,737 |
| San Francisco City & County Public Utilities Commission, RB, Series B, 5.00%, 11/01/39 | 3,225 | 3,416,791 |
| State of California, GO, Various Purpose, 6.50%, 4/01/33 | 2,000 | 2,351,340 |

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12,508,258

Colorado 1.1%

| | | |
|--|-------|-----------|
| Colorado Health Facilities Authority, Refunding RB, Sisters of Leavenworth, Series A, 5.00%, 1/01/40 | 755 | 769,413 |
| North Range Metropolitan District No. 2, GO, Limited Tax, 5.50%, 12/15/37 | 1,200 | 1,014,372 |
| | | 1,783,785 |

Delaware 0.9%

| | | |
|--|-------|-----------|
| Delaware State EDA, RB, Exempt Facilities, Indian River Power, 5.38%, 10/01/45 | 1,415 | 1,409,397 |
|--|-------|-----------|

District of Columbia 8.1%

| | | |
|--|-------|------------|
| District of Columbia, RB, Methodist Home District of Columbia, Series A: | | |
| 7.38%, 1/01/30 | 550 | 562,249 |
| 7.50%, 1/01/39 | 910 | 931,039 |
| District of Columbia Tobacco Settlement Financing Corp., Refunding RB, Asset-Backed: | | |
| 6.25%, 5/15/24 | 5,030 | 5,047,353 |
| 6.50%, 5/15/33 | 5,700 | 5,633,367 |
| Metropolitan Washington Airports Authority, RB, First Senior Lien, Series A: | | |
| 5.00%, 10/01/39 | 170 | 176,856 |
| 5.25%, 10/01/44 | 270 | 284,939 |
| | | 12,635,803 |

Florida 4.1%

| | | |
|--|-------|-----------|
| County of Miami-Dade Florida, RB, Water & Sewer System, 5.00%, 10/01/34 | 1,950 | 2,030,437 |
| County of Miami-Dade Florida, Refunding RB, Miami International Airport, Series A-1, 5.38%, 10/01/41 | 400 | 412,868 |

| | Par (000) | Value |
|--|--------------|------------|
| Municipal Bonds | | |
| Florida (concluded) | | |
| Sarasota County Health Facilities Authority, Refunding RB, Village on the Isle Project, 5.50%, 1/01/32 | \$ 495 | \$ 466,067 |
| Sumter Landing Community Development District Florida, RB, Sub-Series B, 5.70%, 10/01/38 | 1,395 | 1,160,514 |
| Tolomato Community Development District, Special Assessment Bonds, Special Assessment, 6.65%, 5/01/40 | 1,750 | 1,286,793 |

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| | | |
|---|-------|-----------|
| Watergrass Community Development District, Special Assessment Bonds, Series A, 5.38%, 5/01/39 | 1,850 | 950,474 |
| | | 6,307,153 |
| Georgia 1.6% | | |
| DeKalb County Hospital Authority Georgia, RB, DeKalb Medical Center Inc. Project, 6.13%, 9/01/40 | 500 | 516,930 |
| DeKalb Private Hospital Authority, Refunding RB, Children s Healthcare, 5.25%, 11/15/39 | 285 | 299,866 |
| Rockdale County Development Authority, RB, Visy Paper Project, Series A, AMT, 6.13%, 1/01/34 | 1,600 | 1,607,824 |
| | | 2,424,620 |
| Guam 0.5% | | |
| Territory of Guam, GO, Series A: | | |
| 6.00%, 11/15/19 | 200 | 213,804 |
| 6.75%, 11/15/29 | 295 | 326,754 |
| 7.00%, 11/15/39 | 205 | 229,684 |
| | | 770,242 |
| Illinois 3.9% | | |
| Illinois Finance Authority, RB: | | |
| Advocate Health Care, Series C, 5.38%, 4/01/44 | 1,845 | 1,929,408 |
| Navistar International, Recovery Zone, 6.50%, 10/15/40 | 535 | 555,068 |
| Illinois Finance Authority, Refunding RB, Central DuPage Health, Series B, 5.50%, 11/01/39 | 550 | 584,078 |
| Metropolitan Pier & Exposition Authority, Refunding RB, McCormick Place Expansion Project (AGM): | | |
| CAB, Series B, 6.25%, 6/15/46 (a) | 6,605 | 744,912 |
| Series B, 5.00%, 6/15/50 | 1,095 | 1,093,062 |
| Series B-2, 5.00%, 6/15/50 | 870 | 856,663 |
| State of Illinois, RB, Build Illinois, Series B, 5.25%, 6/15/34 | 215 | 225,004 |
| | | 5,988,195 |
| Indiana 2.7% | | |
| Delaware County Hospital Authority Indiana, RB, Cardinal Health System Obligation Group, 5.25%, 8/01/36 | 2,000 | 1,841,140 |
| Indiana Finance Authority, RB, Sisters of St. Francis Health, 5.25%, 11/01/39 | 290 | 302,032 |
| Indiana Finance Authority, Refunding RB: | | |
| Ascension Health Senior Credit, Series B-5, 5.00%, 11/15/36 | 500 | 509,645 |
| Parkview Health System, Series A, 5.75%, 5/01/31 | 1,100 | 1,159,708 |

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| | | |
|--|-------|----------------------|
| Indiana Municipal Power Agency, RB, Series B, 6.00%, 1/01/39 | 350 | 384,790 4,197,315 |
| Kansas 0.4% | | |
| Kansas Development Finance Authority, Refunding RB, Sisters of Leavenworth, Series A, 5.00%, 1/01/40 | 575 | 591,152 |
| Kentucky 0.2% | | |
| Kentucky Economic Development Finance Authority, Refunding RB, Owensboro Medical Health System, Series A, 6.38%, 6/01/40 | 350 | 370,958 |
| Louisiana 1.4% | | |
| Louisiana Local Government Environmental Facilities & Community Development Authority, RB, Westlake Chemical Corp. Projects, 6.75%, 11/01/32 | 2,000 | 2,121,920 |

See Notes to Financial Statements.

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OCTOBER 31, 2010

Schedule of Investments (continued)

BlackRock Long-Term Municipal Advantage Trust (BTA)

(Percentages shown are based on Net Assets)

| | Par (000) | Value |
|--|--------------|------------|
| Municipal Bonds | | |
| Maryland 1.5% | | |
| Maryland EDC, RB, Transportation Facilities Project, Series A, 5.75%, 6/01/35 | \$ 150 | \$ 156,274 |
| Maryland EDC, Refunding RB, CNX Marine Terminals, Inc., 5.75%, 9/01/25 | 500 | 510,500 |
| Maryland Health & Higher Educational Facilities Authority, RB, King Farm Presbyterian Community, Series B, 5.00%, 1/01/17 | 725 | 708,782 |
| Maryland Health & Higher Educational Facilities Authority, Refunding RB, University of Maryland Medical System: 5.00%, 7/01/34 | 490 | 502,446 |
| 5.13%, 7/01/39 | 490 | 506,425 |
| | | 2,384,427 |
| Massachusetts 0.4% | | |
| Massachusetts Health & Educational Facilities Authority, Refunding RB, Partners Healthcare, Series J1, 5.00%, 7/01/39 | 615 | 632,392 |
| Michigan 2.5% | | |
| City of Detroit Michigan, RB, Senior Lien, Series B (AGM), 7.50%, 7/01/33 | 560 | 682,405 |
| Garden City Hospital Finance Authority Michigan, Refunding RB, Garden City Hospital Obligation, Series A, 5.00%, 8/15/38 | 1,540 | 1,081,942 |
| Kalamazoo Hospital Finance Authority, Refunding RB, Bronson Methodist Hospital, 5.50%, 5/15/36 | 475 | 486,680 |
| Royal Oak Hospital Finance Authority Michigan, Refunding RB, William Beaumont Hospital, 8.25%, 9/01/39 | 1,400 | 1,682,884 |
| | | 3,933,911 |
| Montana 0.4% | | |
| Two Rivers Authority, RB, Senior Lien (b)(c): 7.25%, 11/01/21 | 1,500 | 228,330 |
| 7.38%, 11/01/27 | 2,600 | 378,352 |
| | | 606,682 |

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New Jersey 0.3%

| | | |
|---|-----|---------|
| New Jersey EDA, RB, Continental Airlines Inc. Project, AMT, 6.63%, 9/15/12 | 500 | 506,755 |
|---|-----|---------|

New York 4.4%

| | | |
|---|-------|-----------|
| New York City Industrial Development Agency, RB, American Airlines Inc., JFK International Airport, AMT, 7.63%, 8/01/25 (d) | 4,000 | 4,220,640 |
| New York Liberty Development Corp., Refunding RB, Second Priority, Bank of America Tower at One Bryant Park Project, 6.38%, 7/15/49 | 420 | 450,001 |
| New York State Dormitory Authority, RB, New York University, Series A, 5.25%, 7/01/48 | 2,000 | 2,149,300 |
| | | 6,819,941 |

North Carolina 1.3%

| | | |
|--|-----|-----------|
| North Carolina Capital Facilities Finance Agency, RB, Duke Energy Carolinas, Series B, 4.38%, 10/01/31 | 560 | 549,069 |
| North Carolina Capital Facilities Finance Agency, Refunding RB, Duke Energy Carolinas, Series B, 4.63%, 11/01/40 | 560 | 544,936 |
| North Carolina Medical Care Commission, RB, Duke University Health System, Series A, 5.00%, 6/01/42 | 480 | 499,699 |
| North Carolina Municipal Power Agency No. 1 Catawba, Refunding RB, Series A, 5.00%, 1/01/30 | 365 | 383,969 |
| | | 1,977,673 |

Pennsylvania 1.2%

| | | |
|--|-------|-----------|
| Allegheny County Hospital Development Authority, Refunding RB, Health System, West Penn, Series A, 5.38%, 11/15/40 | 1,500 | 1,154,700 |
| Pennsylvania Economic Development Financing Authority, RB, Aqua Pennsylvania Inc. Project, 5.00%, 11/15/40 | 650 | 670,014 |
| | | 1,824,714 |

| | Par | Value |
|---|--------------|--------------|
| | (000) | |
| Municipal Bonds | | |
| Puerto Rico 1.4% | | |
| Puerto Rico Sales Tax Financing Corp., RB, First Sub-Series A, 6.50%, 8/01/44 | \$ 1,705 | \$ 1,962,694 |
| Puerto Rico Sales Tax Financing Corp., Refunding RB, CAB, First Sub-Series C, 6.52%, 8/01/38 (a) | 1,490 | 266,382 |
| | | 2,229,076 |

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South Carolina 2.1%

South Carolina Jobs-EDA, Refunding RB:

| | | |
|---|-------|-----------|
| First Mortgage Lutheran Homes, 5.50%, 5/01/28 | 600 | 537,816 |
| First Mortgage Lutheran Homes, 5.63%, 5/01/42 | 1,000 | 859,200 |
| Palmetto Health, 5.50%, 8/01/26 | 565 | 580,108 |
| Senior Lien, Burroughs & Chapin, Series A (Radian), 4.70%, 4/01/35 | 1,395 | 1,272,142 |
| | | 3,249,266 |

Texas 6.6%

Brazos River Authority, RB, TXU Electric, Series A, AMT,
8.25%, 10/01/30

| | | |
|---|-------|------------|
| Brazos River Authority, RB, TXU Electric, Series A, AMT, 8.25%, 10/01/30 | 1,500 | 570,000 |
| City of Dallas Texas, Refunding RB, 5.00%, 10/01/35 | 525 | 564,958 |
| City of Houston Texas, RB, Senior Lien, Series A, 5.50%, 7/01/39 | 250 | 270,178 |
| HFDC of Central Texas Inc., RB, Village at Gleannloch Farms, Series A, 5.50%, 2/15/27 | 1,150 | 1,001,926 |
| Matagorda County Navigation District No. 1 Texas, Refunding RB, Central Power & Light Co. Project, Series A, 6.30%, 11/01/29 | 700 | 773,507 |
| North Texas Tollway Authority, RB, Toll, 2nd Tier, Series F, 6.13%, 1/01/31 | 2,290 | 2,470,795 |
| Tarrant County Cultural Education Facilities Finance Corp., RB, Scott & White Healthcare, 6.00%, 8/15/45 | 1,390 | 1,484,270 |
| Texas Private Activity Bond Surface Transportation Corp., RB, Senior Lien: LBJ Infrastructure Group LLC, LBJ Freeway Managed Lanes Project, 7.00%, 6/30/40 | 1,490 | 1,619,600 |
| NTE Mobility Partners LLC, North Tarrant Express Managed Lanes Project, 6.88%, 12/31/39 | 1,315 | 1,426,959 |
| | | 10,182,193 |

Utah 0.6%

City of Riverton Utah, RB, IHC Health Services Inc.,
5.00%, 8/15/41

| | | |
|--|-----|---------|
| City of Riverton Utah, RB, IHC Health Services Inc., 5.00%, 8/15/41 | 955 | 992,818 |
|--|-----|---------|

Virginia 3.4%

Fairfax County EDA, Refunding RB, Goodwin House Inc.,
5.13%, 10/01/42

| | | |
|--|-------|-----------|
| Fairfax County EDA, Refunding RB, Goodwin House Inc., 5.13%, 10/01/42 | 850 | 838,780 |
| Peninsula Ports Authority, Refunding RB, Virginia Baptist Homes, Series C, 5.38%, 12/01/26 | 2,600 | 1,740,596 |
| Reynolds Crossing Community Development Authority, Special Assessment Bonds, Reynolds Crossing Project, 5.10%, 3/01/21 | 1,000 | 965,950 |

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| | | |
|---|-------|-------------|
| Tobacco Settlement Financing Corp. Virginia, Refunding RB, Senior Series B1, 5.00%, 6/01/47 | 1,080 | 758,225 |
| Virginia HDA, RB, Rental Housing, Series F, 5.00%, 4/01/45 | 1,000 | 1,023,820 |
| | | 5,327,371 |
| Vermont 1.9% | | |
| Vermont HFA, RB, Series 27, AMT (AGM), 4.90%, 5/01/38 (d) | 2,985 | 2,986,522 |
| Wisconsin 1.9% | | |
| Wisconsin Health & Educational Facilities Authority, RB, Ascension Health Credit Group, Series A, 5.00%, 11/15/31 | 2,835 | 2,944,176 |
| Wyoming 0.1% | | |
| Wyoming Municipal Power Agency, RB, Series A, 5.00%, 1/01/42 | 100 | 101,467 |
| Total Municipal Bonds 66.7% | | 103,695,151 |

See Notes to Financial Statements.

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Schedule of Investments (continued)

BlackRock Long-Term Municipal Advantage Trust (BTA)

(Percentages shown are based on Net Assets)

| Municipal Bonds Transferred to Tender Option Bond Trusts (e) | Par (000) | Value |
|---|--------------|--------------|
| California 15.8% | | |
| Bay Area Toll Authority, Refunding RB, San Francisco Bay Area, Series F-1, 5.63%, 4/01/44 | \$ 1,085 | \$ 1,204,252 |
| California Educational Facilities Authority, RB, University of Southern California, Series A, 5.25%, 10/01/39 | 835 | 904,063 |
| Golden State Tobacco Securitization Corp. California, Custodial Receipts, Series 1271, 5.00%, 6/01/45 (f) | 5,000 | 4,717,850 |
| Los Angeles Department of Airports, Refunding RB, Senior, Los Angeles International Airport, Series A, 5.00%, 5/15/40 | 2,045 | 2,120,379 |
| San Diego Community College District California, GO, Election of 2002, 5.25%, 8/01/33 | 545 | 591,096 |
| University of California, RB, Series B (NPFGC), 4.75%, 5/15/38 | 15,000 | 15,111,450 |
| | | 24,649,090 |
| Colorado 0.5% | | |
| Colorado Health Facilities Authority, Refunding RB, Catholic Healthcare, Series A, 5.50%, 7/01/34 | 735 | 791,617 |
| Illinois 9.7% | | |
| City of Chicago Illinois, Custodial Receipts, Series 1284, 5.00%, 1/01/33 (f) | 15,000 | 15,100,800 |
| Indiana 9.1% | | |
| Carmel Redevelopment Authority, RB, Performing Arts Center: 4.75%, 2/01/33 | 7,230 | 7,343,728 |
| 5.00%, 2/01/33 | 6,580 | 6,775,492 |
| | | 14,119,220 |
| Massachusetts 7.8% | | |
| Massachusetts HFA, Refunding HRB, Series D, AMT, 5.45%, 6/01/37 | 11,855 | 12,082,260 |
| Nebraska 3.3% | | |
| Omaha Public Power District, RB, System, Sub-Series B (NPFGC), 4.75%, 2/01/36 | 5,000 | 5,111,600 |
| New Hampshire 0.5% | | |

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| | | |
|--|----------------------|--------------|
| New Hampshire Health & Education Facilities Authority, Refunding RB, Dartmouth College, 5.25%, 6/01/39 | 660 | 725,485 |
| New York 15.1% | | |
| New York City Municipal Water Finance Authority, RB, Series FF-2, 5.50%, 6/15/40 | 500 | 564,360 |
| New York City Municipal Water Finance Authority, Refunding RB, Series D, 5.00%, 6/15/39 | 7,500 | 7,839,600 |
| New York State Dormitory Authority, ERB: Series B, 5.75%, 3/15/36 | 11,250 | 12,985,425 |
| Series F, 5.00%, 3/15/35 | 2,005 | 2,094,523 |
| | | 23,483,908 |
| North Carolina 10.0% | | |
| University of North Carolina at Chapel Hill, Refunding RB, General, Series A, 4.75%, 12/01/34 | 15,170 | 15,625,252 |
| Ohio 5.0% | | |
| County of Allen Ohio, Refunding RB, Catholic Healthcare, Series A, 5.25%, 6/01/38 | 2,650 | 2,775,954 |
| State of Ohio, Refunding RB, Cleveland Clinic Health, Series A, 5.50%, 1/01/39 | 4,630 | 4,986,001 |
| | | 7,761,955 |
| South Carolina 2.0% | | |
| South Carolina State Housing Finance & Development Authority, Refunding RB, Series B-1, 5.55%, 7/01/39 | 2,960 | 3,098,647 |
| Texas 7.6% | | |
| County of Harris Texas, RB, Senior Lien, Toll Road, Series A, 5.00%, 8/15/38 | 2,130 | 2,236,500 |
| New Caney ISD Texas, GO, School Building (PSF-GTD), 5.00%, 2/15/35 | 9,150 | 9,640,166 |
| | | 11,876,666 |
| Municipal Bonds Transferred to Tender Option Bond Trusts (e) | Par (000) | Value |
| Virginia 0.7% | | |
| Virginia Small Business Financing Authority, Refunding RB, Sentara Healthcare, 5.00%, 11/01/40 | \$ 1,000 | \$ 1,053,350 |
| Wisconsin 1.3% | | |
| Wisconsin Health & Educational Facilities Authority, Refunding RB, Froedtert & Community Health Inc., 5.25%, 4/01/39 | 1,990 | 2,093,599 |
| Total Municipal Bonds Transferred to | | |

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| | | |
|---|---------------|---------------|
| Tender Option Bond Trusts 88.4% | | 137,573,449 |
| Total Long-Term Investments | | |
| (Cost \$244,386,856) 155.1% | | 241,268,600 |
| Short-Term Securities | Shares | |
| FFI Institutional Tax-Exempt Fund, 0.13% (g)(h) | 83,302 | 83,302 |
| Total Short-Term Securities | | |
| (Cost \$83,302) 0.1% | | 83,302 |
| Total Investments (Cost \$244,470,158*) 155.2% | | 241,351,902 |
| Other Assets Less Liabilities 2.3% | | 3,752,645 |
| Liability for Trust Certificates, Including Interest | | |
| Expense and Fees Payable (57.5)% | | (89,584,742) |
| Net Assets 100.0% | | \$155,519,805 |

* The cost and unrealized appreciation (depreciation) of investments as of October 31, 2010, as computed for federal income tax purposes, were as follows:

| | |
|-------------------------------|----------------|
| Aggregate cost | \$155,029,385 |
| Gross unrealized appreciation | \$ 7,117,478 |
| Gross unrealized depreciation | (10,060,292) |
| Net unrealized depreciation | \$ (2,942,814) |

(a) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.

(b) Issuer filed for bankruptcy and/or is in default of interest payments.

(c) Non-income producing security.

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

(e) Securities represent bonds transferred to a tender option bond trust in exchange for which the Trust acquired residual interest certificates. These securities serve as collateral in a financing transaction. See Note 1 of the Notes to Financial Statements for details of municipal bonds transferred to tender option bond trusts.

(f) Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration to qualified institutional investors.

(g) Investments in companies considered to be an affiliate of the Trust during the period, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

| Affiliate | Shares Held at | Net | Shares Held at | Income |
|-------------------|-----------------------|-----------------|-----------------------|---------------|
| | April 30, | | October 31, | |
| | 2010 | Activity | 2010 | |
| FFI Institutional | | | | |
| Tax-Exempt Fund | 1,118,809 | (1,035,507) | 83,302 | \$ 999 |

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

See Notes to Financial Statements.

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Schedule of Investments (concluded)

BlackRock Long-Term Municipal Advantage Trust (BTA)

Fair Value Measurements Various inputs are used in determining the fair value of investments, which are as follows:

Level 1 price quotations in active markets/exchanges for identical assets and liabilities

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

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

The inputs or methodologies used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. For information about the Trust's policy regarding valuation of investments and other significant accounting policies, please refer to Note 1 of the Notes to Financial Statements.

The following table summarizes the inputs used as of October 31, 2010 in determining the fair valuation of the Trust's investments:

| Valuation Inputs | Level 1 | Level 2 | Level 3 | Total |
|----------------------------|------------------|----------------------|----------------|----------------------|
| Assets: | | | | |
| Investments in Securities: | | | | |
| Long-Term | | | | |
| Investments ¹ | | \$241,268,600 | | \$241,268,600 |
| Short-Term | | | | |
| Securities | \$ 83,302 | | | 83,302 |
| Total | \$ 83,302 | \$241,268,600 | | \$241,351,902 |

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

See Notes to Financial Statements.

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OCTOBER 31, 2010

Schedule of Investments October 31, 2010 (Unaudited)

BlackRock Municipal 2020 Term Trust (BKK)

(Percentages shown are based on Net Assets)

| | Par (000) | Value |
|--|--------------|--------------|
| Municipal Bonds | | |
| Alabama 0.4% | | |
| Courtland IDB Alabama, Refunding RB, International Paper Co. Projects, Series A, 4.75%, 5/01/17 | \$ 1,165 | \$ 1,179,737 |
| Arizona 3.8% | | |
| Phoenix Civic Improvement Corp., RB, Junior Lien, Series A: 5.00%, 7/01/20 | 1,300 | 1,473,602 |
| 5.00%, 7/01/21 | 5,585 | 6,432,133 |
| Pima County IDA, Refunding RB, Tucson Electric Power Co., San Juan, Series A, 4.95%, 10/01/20 | 1,015 | 1,073,687 |
| Salt Verde Financial Corp., RB, Senior: 5.00%, 12/01/18 | 1,500 | 1,557,750 |
| 5.25%, 12/01/20 | 1,000 | 1,034,310 |
| | | 11,571,482 |
| California 20.4% | | |
| California State Department of Water Resources, Refunding RB, Series L, 5.00%, 5/01/20 | 10,000 | 11,676,800 |
| California Statewide Communities Development Authority, RB, John Muir Health, Series A, 5.00%, 8/15/22 | 5,000 | 5,158,900 |
| Foothill Eastern Transportation Corridor Agency California, Refunding RB, CAB (a): 5.96%, 1/15/21 | 12,500 | 6,377,625 |
| 5.87%, 1/15/22 | 10,000 | 4,750,900 |
| Golden State Tobacco Securitization Corp. California, RB (b): ARS, Asset-Backed, Series A-3, 7.88%, 6/01/13 | 975 | 1,152,743 |
| ARS, Asset-Backed, Series A-5, 7.88%, 6/01/13 | 1,470 | 1,737,981 |
| Series 2003-A-1, 6.63%, 6/01/13 | 3,000 | 3,453,870 |
| Series 2003-A-1, 6.75%, 6/01/13 | 12,010 | 13,865,425 |
| Los Angeles Unified School District California, GO, Series I, 5.00%, 7/01/20 | 3,750 | 4,294,162 |
| Riverside County Asset Leasing Corp. California, RB, Riverside County Hospital Project (NPFGC), 5.75%, 6/01/25 (a) | 6,865 | 2,935,062 |
| State of California, GO, Various Purpose, 5.00%, 11/01/22 | 7,050 | 7,421,041 |

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62,824,509

Colorado 1.7%

| | | |
|--|-------|-----------|
| E-470 Public Highway Authority Colorado, RB, CAB, Senior Series B (NPFGC), 5.53%, 9/01/22 (a) | 4,500 | 2,278,215 |
| Park Creek Metropolitan District Colorado, Refunding RB, Senior, Limited Tax, Property Tax, 5.25%, 12/01/25 | 3,000 | 3,040,590 |
| | | 5,318,805 |

District of Columbia 4.9%

| | | |
|--|-------|------------|
| District of Columbia, Refunding RB, Friendship Public Charter School Inc. (ACA): 5.75%, 6/01/18 | 2,680 | 2,734,565 |
| 5.00%, 6/01/23 | 3,320 | 3,124,419 |
| District of Columbia Tobacco Settlement Financing Corp., Refunding RB, Asset-Backed, 6.50%, 5/15/33 | 4,215 | 4,165,726 |
| Metropolitan Washington Airports Authority, Refunding RB, Series C-2, AMT (AGM), 5.00%, 10/01/24 | 5,000 | 5,132,200 |
| | | 15,156,910 |

Florida 8.0%

| | | |
|--|-------|-----------|
| Bellalago Educational Facilities Benefit District, Special Assessment Bonds, Series A, 5.85%, 5/01/22 | 3,895 | 3,734,604 |
| Broward County School Board Florida, COP, Series A (AGM), 5.25%, 7/01/22 | 1,250 | 1,356,588 |
| City of Jacksonville Florida, RB, Better Jacksonville, 5.00%, 10/01/22 | 5,160 | 5,749,117 |
| Habitat Community Development District, Special Assessment Bonds, 5.80%, 5/01/25 | 1,995 | 1,953,863 |
| Miami Beach Health Facilities Authority, RB, Mount Sinai Medical Center of Florida, 6.75%, 11/15/21 | 2,325 | 2,429,021 |
| Middle Village Community Development District, Special Assessment Bonds, Series A, 5.80%, 5/01/22 | 3,745 | 3,689,499 |

| | Par (000) | Value |
|---|----------------------|--------------|
| Municipal Bonds | | |
| Florida (concluded) | | |
| Pine Island Community Development District, RB, 5.30%, 11/01/10 | \$ 250 | \$ 211,875 |
| Stevens Plantation Community Development District, Special Assessment Bonds, Series B, 6.38%, 5/01/13 | 3,530 | 3,089,738 |
| Village Community Development District No. 5 Florida, Special Assessment Bonds, Series A, 6.00%, 5/01/22 | 2,220 | 2,266,975 |

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| | | |
|---|--------|------------|
| | | 24,481,280 |
| Georgia 0.8% | | |
| Richmond County Development Authority, RB, Environment, Series A, AMT, 5.75%, 11/01/27 | 2,350 | 2,380,315 |
| Illinois 12.6% | | |
| City of Chicago Illinois, RB, General Airport, Third Lien, Series A (AMBAC): | | |
| 5.00%, 1/01/21 | 5,000 | 5,339,600 |
| 5.00%, 1/01/22 | 7,000 | 7,424,480 |
| Illinois Finance Authority, RB: | | |
| DePaul University, Series C, 5.25%, 10/01/24 | 5,000 | 5,171,400 |
| MJH Education Assistance IV LLC, Sub-Series A, 5.50%, 6/01/19 (c)(d) | 3,250 | 1,787,435 |
| MJH Education Assistance IV LLC, Sub-Series B, 5.00%, 6/01/24 (c)(d) | 1,075 | 290,229 |
| Northwestern University, 5.00%, 12/01/21 | 4,800 | 5,305,008 |
| Illinois State Toll Highway Authority, RB, Senior Priority, Series A (AGM), 5.00%, 1/01/19 | 2,250 | 2,532,217 |
| Lake Cook-Dane & McHenry Counties Community Unit School District 220 Illinois, GO, Refunding (AGM), 5.25%, 12/01/20 | 1,000 | 1,219,520 |
| Metropolitan Pier & Exposition Authority Illinois, Refunding RB, CAB, McCormick, Series A (NPFGC), 5.43%, 6/15/22 (a) | 13,455 | 7,488,918 |
| State of Illinois, RB, Build Illinois, Series B, 5.00%, 6/15/20 | 2,000 | 2,265,440 |
| | | 38,824,247 |
| Indiana 4.7% | | |
| City of Vincennes Indiana, Refunding RB, Southwest Indiana Regional Youth Village, 6.25%, 1/01/24 | 4,425 | 3,791,871 |
| Indianapolis Airport Authority, Refunding RB, Special Facilities, FedEx Corp. Project, AMT, 5.10%, 1/15/17 | 10,000 | 10,787,200 |
| | | 14,579,071 |
| Kansas 2.2% | | |
| Kansas Development Finance Authority, Refunding RB, Adventist Health, 5.25%, 11/15/20 | 2,500 | 2,893,300 |
| Wyandotte County-Kansas City Unified Government, RB, Kansas International Speedway (NPFGC), 5.20%, 12/01/20 (a) | 6,440 | 3,850,025 |
| | | 6,743,325 |
| Kentucky 0.7% | | |

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| | | |
|---|-------|-----------|
| Kentucky Housing Corp., RB, Series C, AMT, 4.63%, 7/01/22 | 2,000 | 2,041,380 |
| Louisiana 0.7% | | |
| Parish of DeSoto Louisiana, RB, Series A, AMT, 5.85%, 11/01/27 | 2,000 | 2,036,460 |
| Maryland 2.5% | | |
| Maryland EDC, RB, Transportation Facilities Project, Series A, 5.13%, 6/01/20 | 1,250 | 1,305,300 |
| Maryland Health & Higher Educational Facilities Authority, Refunding RB: MedStar Health, 5.38%, 8/15/24 | 5,500 | 5,696,790 |
| University of Maryland Medical System, 5.00%, 7/01/19 | 670 | 742,467 |
| | | 7,744,557 |

See Notes to Financial Statements.

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Schedule of Investments (continued)

BlackRock Municipal 2020 Term Trust (BKK)

(Percentages shown are based on Net Assets)

| | Par (000) | Value |
|---|--------------|--------------|
| Municipal Bonds | | |
| Massachusetts 1.6% | | |
| Massachusetts Development Finance Agency, RB, Waste Management Inc. Project, AMT, 5.45%, 6/01/14 | \$ 4,500 | \$ 4,825,575 |
| Massachusetts State Water Pollution Abatement, Refunding RB, MWRA Program, Sub-Series A, 6.00%, 8/01/23 | 140 | 140,573 |
| | | 4,966,148 |
| Michigan 2.2% | | |
| Kalamazoo Hospital Finance Authority, Refunding RB, Bronson Methodist Hospital, 5.00%, 5/15/20 | 1,790 | 1,922,012 |
| Michigan State Hospital Finance Authority, Refunding RB, Hospital, Sparrow Obligated, 4.50%, 11/15/26 | 1,500 | 1,435,605 |
| State of Michigan, Refunding RB: | | |
| 5.00%, 11/01/20 | 1,000 | 1,147,120 |
| 5.00%, 11/01/21 | 2,000 | 2,263,020 |
| | | 6,767,757 |
| Minnesota 0.4% | | |
| Minnesota Higher Education Facilities Authority, RB, University of St. Thomas, Series 5-Y, 5.00%, 10/01/24 | 1,250 | 1,311,350 |
| Mississippi 1.0% | | |
| County of Warren Mississippi, RB, Series A, AMT, 5.85%, 11/01/27 | 3,000 | 3,041,130 |
| Missouri 3.6% | | |
| Missouri Development Finance Board, RB, Branson Landing Project, Series A, 5.50%, 12/01/24 | 5,000 | 5,226,100 |
| Missouri State Health & Educational Facilities Authority, Refunding RB, BJC Health System, Series A, 5.00%, 5/15/20 | 5,500 | 5,867,565 |
| | | 11,093,665 |
| Multi-State 7.3% | | |
| Centerline Equity Issuer Trust (e)(f): | | |
| 5.75%, 5/15/15 | 1,000 | 1,069,310 |
| 6.00%, 5/15/15 | 4,000 | 4,263,000 |
| 6.00%, 5/15/19 | 2,500 | 2,708,425 |

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| | | |
|---|-------|------------|
| 6.30%, 5/15/19 | 2,500 | 2,718,550 |
| MuniMae TE Bond Subsidiary LLC (e)(f)(g): | | |
| 5.40% | 5,000 | 3,546,750 |
| 5.80% | 5,000 | 3,376,150 |
| Series D, 5.90% | 2,000 | 1,137,980 |
| San Manuel Entertainment Authority, Series 04-C, 4.50%, 12/01/16 (e) | 4,000 | 3,684,560 |
| | | 22,504,725 |

Nevada 2.0%

| | | |
|---|-------|-----------|
| City of Henderson Nevada, Special Assessment Bonds, District No. T-18, 5.15%, 9/01/21 | 1,760 | 872,714 |
| County of Clark Nevada, Refunding RB, Alexander Dawson School Nevada Project, 5.00%, 5/15/20 | 5,000 | 5,284,550 |
| | | 6,157,264 |

New Hampshire 4.8%

| | | |
|--|--------|------------|
| New Hampshire Business Finance Authority, Refunding RB, Public Service Co. of New Hampshire Project, Series B, AMT (NPFGC), 4.75%, 5/01/21 | 10,000 | 10,081,100 |
| New Hampshire Health & Education Facilities Authority, Refunding RB, Elliot Hospital, Series B, 5.60%, 10/01/22 | 4,500 | 4,679,010 |
| | | 14,760,110 |

New Jersey 12.1%

| | | |
|---|--------|------------|
| Middlesex County Improvement Authority, RB, Street Student Housing Project, Series A, 5.00%, 8/15/23 | 1,000 | 1,025,260 |
| New Jersey EDA, RB: Cigarette Tax, 5.50%, 6/15/24 | 10,000 | 10,010,100 |
| Continental Airlines Inc. Project, AMT, 7.00%, 11/15/30 (h) | 5,000 | 5,030,650 |

| | Par (000) | Value |
|--|--------------|--------------|
| Municipal Bonds | | |
| New Jersey (concluded) | | |
| New Jersey EDA, RB (concluded): | | |
| Continental Airlines Inc. Project, AMT, 9.00%, 6/01/33 (h) | \$ 1,500 | \$ 1,595,085 |
| Kapkowski Road Landfill Project, Series 1998B, AMT, 6.50%, 4/01/31 | 7,500 | 7,894,050 |
| New Jersey EDA, Refunding RB, First Mortgage, Winchester, Series A, 4.80%, 11/01/13 | 765 | 793,871 |
| New Jersey Educational Facilities Authority, Refunding | | |

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| | | |
|--|--------|------------|
| RB, University of Medicine & Dentistry, Series B, 6.25%, 12/01/18 | 2,500 | 2,878,275 |
| New Jersey Health Care Facilities Financing Authority, Refunding RB: AtlantiCare Regional Medical Center, 5.00%, 7/01/20 | 2,110 | 2,255,316 |
| Capital Health System Obligation Group, Series A, 5.75%, 7/01/13 (b) | 4,000 | 4,473,760 |
| Newark Housing Authority, RB, South Ward Police Facility (AGC), 5.00%, 12/01/21 | 1,250 | 1,385,000 |
| | | 37,341,367 |
| New York 8.2% | | |
| New York City Industrial Development Agency, RB, American Airlines Inc., JFK International Airport, AMT (h): 7.63%, 8/01/25 | 5,635 | 5,945,827 |
| 7.75%, 8/01/31 | 5,000 | 5,305,300 |
| New York State Energy Research & Development Authority, Refunding RB, Brooklyn Union Gas/Keyspan, Series A, AMT (FGIC), 4.70%, 2/01/24 | 8,500 | 8,661,925 |
| Tobacco Settlement Financing Corp. New York, RB, Asset-Backed, Series B-1C, 5.50%, 6/01/20 | 5,000 | 5,439,400 |
| | | 25,352,452 |
| North Carolina 2.4% | | |
| North Carolina Eastern Municipal Power Agency, Refunding RB, Series B, 5.00%, 1/01/21 | 1,550 | 1,710,456 |
| North Carolina Municipal Power Agency No. 1, Refunding RB, Series B, 5.00%, 1/01/20 | 5,000 | 5,783,450 |
| | | 7,493,906 |
| Ohio 6.7% | | |
| American Municipal Power-Ohio Inc., RB, Prairie State Energy Campus Project, Series A, 5.25%, 2/15/23 | 5,000 | 5,456,150 |
| County of Cuyahoga Ohio, Refunding RB, Series A: 6.00%, 1/01/19 | 3,000 | 3,300,750 |
| 6.00%, 1/01/20 | 10,000 | 11,002,500 |
| Pinnacle Community Infrastructure Financing Authority, RB, Facilities, Series A, 6.00%, 12/01/22 | 967 | 874,294 |
| | | 20,633,694 |
| Oklahoma 1.1% | | |
| Tulsa Airports Improvement Trust, RB, Series A, Mandatory Put Bonds, AMT, 7.75%, 6/01/35 (h) | 3,350 | 3,464,067 |
| Pennsylvania 5.8% | | |
| Lancaster County Hospital Authority, RB, General Hospital | | |

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| | | |
|---|-------|------------|
| Project, 5.75%, 9/15/13 (b) | 7,500 | 8,496,075 |
| Montgomery County IDA Pennsylvania, MRB, Whitemarsh | | |
| Continuing Care, 6.00%, 2/01/21 | 1,275 | 1,231,357 |
| Pennsylvania Higher Educational Facilities Authority, RB, | | |
| LaSalle University, 5.50%, 5/01/26 | 6,680 | 6,831,836 |
| Pennsylvania Turnpike Commission, RB, Sub-Series A | | |
| (AGC), 5.00%, 6/01/22 | 1,000 | 1,128,210 |
| | | 17,687,478 |

See Notes to Financial Statements.

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OCTOBER 31, 2010

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Schedule of Investments (continued)

BlackRock Municipal 2020 Term Trust (BKK)

(Percentages shown are based on Net Assets)

| | Par (000) | Value |
|---|--------------|--------------|
| Municipal Bonds | | |
| Puerto Rico 4.4% | | |
| Commonwealth of Puerto Rico, GO, Public Improvement, Series B, 5.25%, 7/01/17 | \$ 3,300 | \$ 3,569,907 |
| Puerto Rico Electric Power Authority, RB, Series NN, 5.13%, 7/01/13 (b) | 9,000 | 10,067,670 |
| | | 13,637,577 |
| Texas 9.8% | | |
| Central Texas Regional Mobility Authority, RB, Senior Lien: 5.75%, 1/01/19 | 800 | 880,328 |
| 5.75%, 1/01/20 | 1,140 | 1,250,534 |
| City of Dallas Texas, Refunding RB (AGC), 5.00%, 8/15/21 | 2,500 | 2,734,675 |
| North Texas Tollway Authority, RB, Series C: 5.25%, 1/01/20 | 1,000 | 1,121,890 |
| 5.38%, 1/01/21 | 5,000 | 5,582,000 |
| Port Corpus Christi Industrial Development Corp. Texas, Refunding RB, Valero, Series C, 5.40%, 4/01/18 | 3,255 | 3,254,870 |
| Texas State Turnpike Authority, RB, CAB, First Tier, Series A (AMBAC) (a): 5.39%, 8/15/21 | 7,990 | 4,570,040 |
| 5.54%, 8/15/24 | 8,450 | 3,891,817 |
| Weatherford ISD, GO, Refunding, CAB (PSF-GTD) (a): 5.75%, 2/15/11 (b) | 4,040 | 2,026,949 |
| 5.78%, 2/15/11 (b) | 4,040 | 1,913,950 |
| 5.75%, 2/15/23 | 2,905 | 1,443,495 |
| 5.77%, 2/15/24 | 2,905 | 1,362,648 |
| | | 30,033,196 |
| U.S. Virgin Islands 0.4% | | |
| Virgin Islands Public Finance Authority, RB, Senior Lien, Matching Fund Loan Note, Series A, 5.25%, 10/01/17 | 1,000 | 1,075,430 |
| Virginia 7.9% | | |
| Celebrate North Community Development Authority, Special Assessment Bonds, Celebrate Virginia North Project, Series B, 6.60%, 3/01/25 | 4,888 | 3,814,840 |

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| | | |
|---|--------|------------|
| Charles City County EDA, RB, Waste Management Inc. Project, Mandatory Put Bonds, AMT, 5.13%, 8/01/27 (h) | 10,000 | 10,734,800 |
| Mecklenburg County IDA Virginia, Refunding RB, Exempt Facility, UAE LP Project, AMT, 6.50%, 10/15/17 | 7,500 | 7,599,900 |
| Russell County IDA, Refunding RB, Appalachian Power, Series K, 4.63%, 11/01/21 | 2,000 | 2,083,840 |
| | | 24,233,380 |

Wisconsin 3.0%

| | | |
|--|-------|-------------|
| State of Wisconsin, Refunding RB, Series A, 5.25%, 5/01/20 | 1,000 | 1,169,690 |
| Wisconsin Health & Educational Facilities Authority, Refunding RB: Froedtert & Community Health Inc., 5.00%, 4/01/20 | 1,515 | 1,639,260 |
| Wheaton Franciscan Services, Series A, 5.50%, 8/15/17 | 2,880 | 2,981,405 |
| Wheaton Franciscan Services, Series A, 5.50%, 8/15/18 | 3,190 | 3,283,627 |
| | | 9,073,982 |
| Total Municipal Bonds 148.1% | | 455,510,756 |

| Municipal Bonds Transferred to Tender Option Bond Trusts (i) | Par (000) | Value |
|---|---------------|---------------|
| Illinois 1.8% | | |
| City of Chicago Illinois, Refunding RB, Second Lien (AGM), 5.00%, 11/01/20 | \$ 5,000 | \$ 5,598,600 |
| Total Municipal Bonds Transferred to Tender Option Bond Trusts 1.8% | | 5,598,600 |
| Total Long-Term Investments (Cost \$451,162,065) 149.9% | | 461,109,356 |
| Short-Term Securities | Shares | |
| FFI Institutional Tax-Exempt Fund, 0.01% (j)(k) | 17,645,074 | 17,645,074 |
| Total Short-Term Securities (Cost \$17,645,074) 5.7% | | 17,645,074 |
| Total Investments (Cost \$468,807,139*) 155.6% | | 478,754,430 |
| Other Assets Less Liabilities 2.1% | | 6,452,785 |
| Liability for Trust Certificates, Including Interest Expense and Fees Payable (1.2)% | | (3,756,238) |
| Preferred Shares, at Redemption Value (56.5)% | | (173,861,828) |
| Net Assets Applicable to Common Shares 100.0% | | \$307,589,149 |

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* The cost and unrealized appreciation (depreciation) of investments as of October 31, 2010, as computed for federal income tax purposes, were as follows:

| | |
|-------------------------------|---------------|
| Aggregate cost | \$464,632,278 |
| Gross unrealized appreciation | \$ 21,579,105 |
| Gross unrealized depreciation | (11,206,953) |
| Net unrealized appreciation | \$ 10,372,152 |

(a) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.

(b) US government securities, held in escrow, are used to pay interest on this security as well as to retire the bond in full at the date indicated, typically at a premium to par.

(c) Issuer filed for bankruptcy and/or is in default of interest payments.

(d) Non-income producing security.

(e) Security exempt from registration under Rule 144A of the Securities Act of 1933.

These securities may be resold in transactions exempt from registration to qualified institutional investors.

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

(g) Security is perpetual in nature and has no stated maturity date.

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

(i) Securities represent bonds transferred to a tender option bond trust in exchange for which the Trust acquired residual interest certificates. These securities serve as collateral in a financing transaction. See Note 1 of the Notes to Financial Statements for details of municipal bonds transferred to tender option bond trusts.

(j) Investments in companies considered to be an affiliate of the Trust during the period, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

| | Shares Held at April 30, 2010 | Net Activity | Shares Held at October 31, 2010 | Income |
|-------------------|-------------------------------------|-----------------|---------------------------------------|---------|
| FFI Institutional | | | | |
| Tax-Exempt Fund | 1,901,695 | 15,743,379 | 17,645,074 | \$3,867 |

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

See Notes to Financial Statements.

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Schedule of Investments (concluded)

BlackRock Municipal 2020 Term Trust (BKK)

Fair Value Measurements Various inputs are used in determining the fair value of investments, which are as follows:

Level 1 price quotations in active markets/exchanges for identical assets and liabilities

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

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

The inputs or methodologies used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. For information about the Trust's policy regarding valuation of investments and other significant accounting policies, please refer to Note 1 of the Notes to Financial Statements.

The following table summarizes the inputs used as of October 31, 2010 in determining the fair valuation of the Trust's investments:

| Valuation Inputs | Level 1 | Level 2 | Level 3 | Total |
|----------------------------|----------------------|----------------------|---------|----------------------|
| Assets: | | | | |
| Investments in Securities: | | | | |
| Long-Term | | | | |
| Investments ¹ | | \$461,109,356 | | \$461,109,356 |
| Short-Term | | | | |
| Securities | \$ 17,645,074 | | | 17,645,074 |
| Total | \$ 17,645,074 | \$461,109,356 | | \$478,754,430 |

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

See Notes to Financial Statements.

SEMI-ANNUAL REPORT

OCTOBER 31, 2010

Schedule of Investments October 31, 2010 (Unaudited)

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

| | Par (000) | Value |
|--|--------------|--------------|
| Municipal Bonds | | |
| Arizona 4.7% | | |
| Maricopa County Pollution Control Corp., Refunding RB, Southern California Edison Co., Series A, 5.00%, 6/01/35 | \$ 3,360 | \$ 3,434,357 |
| Pima County IDA, Refunding IDR, Tucson Electric Power, 5.75%, 9/01/29 | 2,185 | 2,257,935 |
| Salt River Project Agricultural Improvement & Power District, RB, Series A, 5.00%, 1/01/38 | 3,860 | 4,071,296 |
| Salt Verde Financial Corp., RB, Senior: 5.00%, 12/01/32 | 10,030 | 9,691,187 |
| 5.00%, 12/01/37 | 9,460 | 8,898,644 |
| | | 28,353,419 |
| California 27.1% | | |
| Bay Area Toll Authority, Refunding RB, San Francisco | | |
| Bay Area, Series F-1, 5.63%, 4/01/44 | 4,445 | 4,933,550 |
| California County Tobacco Securitization Agency, RB, CAB, Stanislaus, Sub-Series C, 6.30%, 6/01/55 (a) | 17,855 | 218,724 |
| California HFA, RB, Home Mortgage, Series G, AMT, 5.50%, 8/01/42 | 6,605 | 6,515,172 |
| California State Public Works Board, RB, Various Capital Projects, Sub-Series I-1, 6.38%, 11/01/34 | 2,315 | 2,537,402 |
| California Statewide Communities Development Authority, RB, Health Facility, Memorial Health Services, Series A, 5.50%, 10/01/33 | 5,000 | 5,136,650 |
| City of Lincoln California, Special Tax Bonds, Community Facilities District No. 2003-1, 6.00%, 9/01/13 (b) | 3,115 | 3,627,012 |
| Foothill Eastern Transportation Corridor Agency California, Refunding RB, CAB (a): 6.09%, 1/15/32 | 54,635 | 13,254,451 |
| 6.09%, 1/15/38 | 75,000 | 11,717,250 |
| Golden State Tobacco Securitization Corp. California, RB, Series 2003-A-1, 6.63%, 6/01/13 (b) | 5,000 | 5,756,450 |
| Los Angeles Department of Airports, RB, Series A, | | |

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| | | |
|---|--------|-------------|
| 5.25%, 5/15/39 | 1,560 | 1,645,145 |
| Los Angeles Department of Airports, Refunding RB, Senior, Los Angeles International Airport, Series A, | | |
| 5.00%, 5/15/40 | 11,690 | 12,120,893 |
| Los Angeles Regional Airports Improvement Corp. California, Refunding RB, Facilities, LAXFUEL Corp., | | |
| LA International, AMT (AMBAC), 5.50%, 1/01/32 | 13,320 | 13,380,340 |
| Los Angeles Unified School District California, GO, Series D: | | |
| 5.25%, 7/01/24 | 5,000 | 5,576,100 |
| 5.25%, 7/01/25 | 3,490 | 3,868,874 |
| 5.00%, 7/01/26 | 1,305 | 1,412,689 |
| Murrieta Community Facilities District Special Tax California, Special Tax Bonds, District No. 2, The Oaks Improvement Area A, 6.00%, 9/01/34 | 5,000 | 4,851,650 |
| San Francisco City & County Public Utilities Commission, RB, Series B, 5.00%, 11/01/39 | 18,550 | 19,653,168 |
| State of California, GO, Various Purpose: | | |
| 6.00%, 3/01/33 | 4,970 | 5,708,741 |
| 6.50%, 4/01/33 | 20,410 | 23,995,425 |
| University of California, RB, Limited Project, Series B, 4.75%, 5/15/38 | 9,840 | 9,913,111 |
| West Valley-Mission Community College District, GO, Election of 2004, Series A (AGM), 4.75%, 8/01/30 | 4,015 | 4,101,885 |
| | | 159,924,682 |
| Colorado 1.6% | | |
| City of Colorado Springs Colorado, RB, Subordinate Lien, Improvement, Series C (AGM), 5.00%, 11/15/45 | 2,545 | 2,630,792 |
| Colorado Health Facilities Authority, Refunding RB, Series A: | | |
| Catholic Healthcare, 5.50%, 7/01/34 | 4,205 | 4,528,911 |
| Sisters of Leavenworth, 5.00%, 1/01/40 | 4,310 | 4,392,278 |
| Park Creek Metropolitan District Colorado, Refunding RB, Senior, Limited Tax, Property Tax, 5.50%, 12/01/37 | 2,530 | 2,526,331 |
| | | 14,078,312 |

Municipal Bonds

Connecticut 0.5%

| | | |
|--|-------|--------------|
| Connecticut State Health & Educational Facility Authority, RB, Ascension Health Senior Credit, 5.00%, 11/15/40 \$ | 2,710 | \$ 2,838,427 |
|--|-------|--------------|

Delaware 1.3%

Par
(000) **Value**

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| | | |
|---|--------|------------|
| Delaware State EDA, RB, Exempt Facilities, Indian River Power, 5.38%, 10/01/45 | 7,950 | 7,918,518 |
| District of Columbia 7.0% | | |
| District of Columbia Tobacco Settlement Financing Corp., Refunding RB, Asset-Backed, 6.75%, 5/15/40 | 23,035 | 23,046,978 |
| District of Columbia, RB, CAB, Georgetown, Series A (NPFGC) (a)(b): | | |
| 6.03%, 4/01/11 | 15,600 | 3,559,920 |
| 6.03%, 4/01/11 | 51,185 | 11,002,216 |
| District of Columbia, Refunding RB, Friendship Public Charter School Inc. (ACA), 5.25%, 6/01/33 | 2,390 | 2,166,965 |
| Metropolitan Washington Airports Authority, RB, First Senior Lien, Series A: | | |
| 5.00%, 10/01/39 | 990 | 1,029,927 |
| 5.25%, 10/01/44 | 1,545 | 1,630,485 |
| | | 42,436,491 |
| Florida 4.8% | | |
| County of Miami-Dade Florida, RB, Water & Sewer System, 5.00%, 10/01/34 | 6,625 | 6,898,281 |
| County of Miami-Dade Florida, Refunding RB, Miami International Airport, Series A-1, 5.38%, 10/01/41 | 2,280 | 2,353,348 |
| County of Orange Florida, Refunding RB (Syncora), 4.75%, 10/01/32 | 2,760 | 2,775,456 |
| Miami Beach Health Facilities Authority, RB, Mount Sinai Medical Center of Florida, 6.75%, 11/15/21 | 7,045 | 7,360,193 |
| Stevens Plantation Community Development District, Special Assessment Bonds, Series A, 7.10%, 5/01/35 | 3,710 | 3,080,116 |
| Village Community Development District No. 6, Special Assessment Bonds, 5.63%, 5/01/22 | 6,615 | 6,615,728 |
| | | 29,083,122 |
| Georgia 1.8% | | |
| De Kalb Private Hospital Authority, Refunding RB, Children s Healthcare, 5.25%, 11/15/39 | 1,650 | 1,736,064 |
| Metropolitan Atlanta Rapid Transit Authority, RB, Third Series, 5.00%, 7/01/39 | 5,000 | 5,363,100 |
| Richmond County Development Authority, Refunding RB, International Paper Co. Project, Series A, AMT, 6.00%, 2/01/25 | 4,000 | 4,055,840 |
| | | 11,155,004 |
| Guam 0.8% | | |
| Territory of Guam, GO, Series A: | | |

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| | | |
|-----------------|-------|-----------|
| 6.00%, 11/15/29 | 1,245 | 1,330,930 |
| 6.75%, 11/15/29 | 1,775 | 1,966,061 |
| 7.00%, 11/15/39 | 1,255 | 1,406,115 |
| | | 4,703,106 |

Illinois 7.0%

Illinois Finance Authority, RB:

| | | |
|--|--------|------------|
| Advocate Health Care, Series C, 5.38%, 4/01/44 | 10,630 | 11,116,322 |
|--|--------|------------|

| | | |
|---|-------|---------|
| MJH Education Assistance IV LLC, Sub-Series B, 5.38%, 6/01/35 (c)(d) | 1,675 | 452,216 |
|---|-------|---------|

| | | |
|---|-------|-----------|
| Navistar International, Recovery Zone, 6.50%, 10/15/40 | 3,010 | 3,122,905 |
|---|-------|-----------|

Illinois Finance Authority, Refunding RB:

| | | |
|--|-------|-----------|
| Central DuPage Health, Series B, 5.50%, 11/01/39 | 3,160 | 3,355,794 |
|--|-------|-----------|

| | | |
|--|-------|-----------|
| Elmhurst Memorial Healthcare, 5.63%, 1/01/28 | 3,000 | 2,972,070 |
|--|-------|-----------|

| | | |
|--|-----|---------|
| Friendship Village Schaumburg, Series A, 5.63%, 2/15/37 | 845 | 697,125 |
|--|-----|---------|

| | | |
|-----------------------------|-----|---------|
| Series 05-A, 5.25%, 7/01/41 | 760 | 785,559 |
|-----------------------------|-----|---------|

See Notes to Financial Statements.

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OCTOBER 31, 2010

Schedule of Investments (continued)

BlackRock Municipal Income Trust (BFK)

(Percentages shown are based on Net Assets)

| | Par (000) | Value |
|---|--------------|------------|
| Municipal Bonds | | |
| Illinois (concluded) | | |
| Metropolitan Pier & Exposition Authority, Refunding RB (AGM), McCormick Place Expansion Project: | | |
| CAB, Series B, 6.23%, 6/15/43 (a) | \$ 6,130 | \$ 836,071 |
| CAB, Series B, 6.25%, 6/15/45 (a) | 12,420 | 1,494,250 |
| Series B, 5.00%, 6/15/50 | 6,155 | 6,144,106 |
| Series B-2, 5.00%, 6/15/50 | 4,885 | 4,810,113 |
| State of Illinois, RB, Build Illinois, Series B, 5.25%, 6/15/34 | 1,240 | 1,297,697 |
| Village of Bolingbrook Illinois, GO, Refunding, Series B (NPFGC) (a): | | |
| 6.01%, 1/01/33 | 6,820 | 1,838,740 |
| 6.01%, 1/01/34 | 14,085 | 3,555,477 |
| | | 42,478,445 |
| Indiana 5.9% | | |
| City of Vincennes Indiana, Refunding RB, Southwest | | |
| Indiana Regional Youth Village, 6.25%, 1/01/24 | 2,130 | 1,825,239 |
| Indiana Finance Authority, RB, Sisters of St. Francis Health, 5.25%, 11/01/39 | 1,655 | 1,723,666 |
| Indiana Health Facility Financing Authority, Refunding RB, Methodist Hospital Inc., 5.50%, 9/15/31 | 9,000 | 8,150,130 |
| Indiana Municipal Power Agency, RB, Series B, 6.00%, 1/01/39 | 2,150 | 2,363,710 |
| Petersburg Indiana, RB, Indiana Power & Light, AMT: | | |
| 5.90%, 12/01/24 | 5,000 | 5,135,250 |
| 5.95%, 12/01/29 | 16,000 | 16,369,920 |
| | | 35,567,915 |
| Kansas 0.6% | | |
| Kansas Development Finance Authority, Refunding RB, Sisters of Leavenworth, Series A, 5.00%, 1/01/40 | | |
| | 3,275 | 3,366,995 |
| Kentucky 0.3% | | |
| Kentucky Economic Development Finance Authority, Refunding RB, Owensboro Medical Health System, | | |

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| | | |
|--|--------------|---------------|
| Series A, 6.38%, 6/01/40 | 1,990 | 2,109,161 |
| Kentucky Housing Corp., RB, Series F, AMT (Fannie Mae), 5.45%, 1/01/32 | 30 | 30,131 |
| | | 2,139,292 |
| Louisiana 1.3% | | |
| Louisiana Local Government Environmental Facilities & Community Development Authority, RB, Capital Projects & Equipment Acquisition Program (ACA), 6.55%, 9/01/25 | 8,430 | 7,855,243 |
| Maryland 1.0% | | |
| Maryland Community Development Administration, Refunding RB, Residential, Series A, AMT, 4.65%, 9/01/32 | 2,465 | 2,454,819 |
| Maryland EDC, RB, Transportation Facilities Project, Series A, 5.75%, 6/01/35 | 855 | 890,765 |
| Maryland EDC, Refunding RB, CNX Marine Terminals, Inc., 5.75%, 9/01/25 | 1,760 | 1,796,960 |
| Montgomery County Housing Opportunities Commission, RB, Series D, AMT, 5.50%, 1/01/38 | 1,085 | 1,145,500 |
| | | 6,288,044 |
| Massachusetts 0.6% | | |
| Massachusetts Health & Educational Facilities Authority, Refunding RB, Partners Healthcare, Series J1, 5.00%, 7/01/39 | 3,535 | 3,634,970 |
| Michigan 1.1% | | |
| Kalamazoo Hospital Finance Authority, Refunding RB, Bronson Methodist Hospital, 5.50%, 5/15/36 | 2,700 | 2,766,393 |
| Michigan State Hospital Finance Authority, Refunding RB, Henry Ford Health System, Series A, 5.25%, 11/15/46 | 4,230 | 4,221,709 |
| | | 6,988,102 |
| | Par | |
| Municipal Bonds | (000) | Value |
| Mississippi 2.5% | | |
| City of Gulfport Mississippi, RB, Memorial Hospital at Gulfport Project, Series A, 5.75%, 7/01/31 | \$ 14,825 | \$ 14,957,980 |
| Missouri 0.3% | | |
| Missouri State Health & Educational Facilities Authority, RB, Senior Living Facilities, Lutheran Senior Home, 5.50%, 2/01/42 | 2,035 | 2,028,773 |

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Multi-State 5.1%

Centerline Equity Issuer Trust (e)(f):

| | | |
|--|--------|------------|
| 6.80%, 11/30/50 | 6,500 | 6,521,970 |
| 6.80%, 10/31/52 | 16,000 | 17,522,240 |
| MuniMae TE Bond Subsidiary LLC, 7.50%, (e)(f)(g) | 7,462 | 6,864,932 |
| | | 30,909,142 |

Nebraska 0.7%

Douglas County Hospital Authority No. 2, RB, Health

| | | |
|---|-------|-----------|
| Facilities, Immanuel Obligation Group, 5.63%, 1/01/40 | 3,280 | 3,375,579 |
|---|-------|-----------|

Lancaster County Hospital Authority No. 1, RB, Immanuel

| | | |
|----------------------------------|-----|-----------|
| Obligation Group, 5.63%, 1/01/40 | 600 | 617,484 |
| | | 3,993,063 |

Nevada 0.8%

County of Clark Nevada, Refunding RB, Alexander Dawson

| | | |
|---------------------------------------|-------|-----------|
| School Nevada Project, 5.00%, 5/15/29 | 4,550 | 4,615,838 |
|---------------------------------------|-------|-----------|

New Hampshire 0.6%

New Hampshire Health & Education Facilities Authority,

| | | |
|-------------------------------------|-------|-----------|
| RB, Exeter Project, 5.75%, 10/01/31 | 3,500 | 3,569,685 |
|-------------------------------------|-------|-----------|

New Jersey 7.1%

Middlesex County Improvement Authority, RB, Subordinate,

| | | |
|---|-------|---------|
| Heldrich Center Hotel, Series B, 6.25%, 1/01/37 | 3,680 | 550,491 |
|---|-------|---------|

New Jersey EDA, RB:

| | | |
|-------------------------------|--------|------------|
| Cigarette Tax, 5.75%, 6/15/29 | 15,500 | 15,255,255 |
|-------------------------------|--------|------------|

Continental Airlines Inc. Project, AMT,

| | | |
|---------------------|--------|------------|
| 7.00%, 11/15/30 (g) | 15,410 | 15,504,463 |
|---------------------|--------|------------|

New Jersey EDA, Special Assessment Bonds, Refunding,

| | | |
|---|-------|-----------|
| Kapkowski Road Landfill Project, 6.50%, 4/01/28 | 8,000 | 8,790,320 |
|---|-------|-----------|

Tobacco Settlement Financing Corp. New Jersey,

| | | |
|---|-------|------------|
| Refunding RB, Series 1A, 4.50%, 6/01/23 | 3,195 | 2,990,137 |
| | | 43,090,666 |

New York 5.3%

Albany Industrial Development Agency, RB, New Covenant

| | | |
|---|-------|---------|
| Charter School Project, Series A, 7.00%, 5/01/35 (c)(d) | 1,820 | 727,927 |
|---|-------|---------|

New York City Industrial Development Agency, RB, American

Airlines Inc., JFK International Airport, AMT (g):

| | | |
|----------------|-------|-----------|
| 8.00%, 8/01/28 | 5,000 | 5,364,350 |
|----------------|-------|-----------|

| | | |
|----------------|--------|------------|
| 7.75%, 8/01/31 | 22,140 | 23,491,869 |
|----------------|--------|------------|

New York Liberty Development Corp., Refunding RB,

Second Priority, Bank of America Tower at One Bryant

| | | |
|------------------------------|-------|------------|
| Park Project, 6.38%, 7/15/49 | 2,400 | 2,571,432 |
| | | 32,155,578 |

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North Carolina 5.5%

| | | |
|---|--------|------------|
| Gaston County Industrial Facilities & Pollution Control Financing Authority North Carolina, RB, Exempt Facilities, National Gypsum Co. Project, AMT, 5.75%, 8/01/35 | 12,130 | 10,044,489 |
| North Carolina Capital Facilities Finance Agency, RB, Series B: | | |
| Duke Energy Carolinas, 4.38%, 10/01/31 | 3,160 | 3,098,317 |
| Duke University Project, 5.00%, 10/01/38 | 10,000 | 10,671,900 |
| North Carolina Capital Facilities Finance Agency, Refunding RB, Series B: | | |
| Duke Energy Carolinas, 4.63%, 11/01/40 | 3,160 | 3,074,996 |
| Duke University Project, 4.25%, 7/01/42 | 3,710 | 3,723,393 |
| North Carolina Medical Care Commission, RB, Duke University Health System, Series A, 5.00%, 6/01/42 | 2,750 | 2,862,860 |
| | | 33,475,955 |

See Notes to Financial Statements.

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Schedule of Investments (continued)

BlackRock Municipal Income Trust (BFK)

(Percentages shown are based on Net Assets)

| | Par (000) | Value |
|--|--------------|--------------|
| Municipal Bonds | | |
| Ohio 2.9% | | |
| Buckeye Tobacco Settlement Financing Authority, RB, Asset-Backed, Senior Series A-2, 6.50%, 6/01/47 | \$ 3,120 | \$ 2,608,819 |
| County of Allen Ohio, Refunding RB, Catholic Healthcare, Series A, 5.25%, 6/01/38 | 6,125 | 6,416,121 |
| County of Montgomery Ohio, Refunding RB, Catholic Healthcare, Series A, 5.00%, 5/01/39 | 5,450 | 5,691,708 |
| Pinnacle Community Infrastructure Financing Authority, RB, Facilities, Series A, 6.25%, 12/01/36 | 3,760 | 3,106,813 |
| | | 17,823,461 |
| Oklahoma 1.2% | | |
| Tulsa Airports Improvement Trust, RB, Series A, Mandatory Put Bonds, AMT, 7.75%, 6/01/35 (g) | 7,175 | 7,419,309 |
| Pennsylvania 4.5% | | |
| Allegheny County Hospital Development Authority, Refunding RB, Health System, West Penn, Series A, 5.38%, 11/15/40 | 3,000 | 2,309,400 |
| Pennsylvania Economic Development Financing Authority, RB: | | |
| Amtrak Project, Series A, AMT, 6.38%, 11/01/41 | 6,500 | 6,600,945 |
| Aqua Pennsylvania Inc. Project, 5.00%, 11/15/40 | 3,725 | 3,839,693 |
| Reliant Energy, Series A, AMT, 6.75%, 12/01/36 | 11,345 | 11,684,896 |
| Pennsylvania Turnpike Commission, RB, Sub-Series D, 5.13%, 12/01/40 | 3,100 | 3,180,259 |
| | | 27,615,193 |
| Puerto Rico 5.5% | | |
| Commonwealth of Puerto Rico, GO, Refunding, Public Improvement, Series C, 6.00%, 7/01/39 | 5,820 | 6,396,879 |
| Puerto Rico Sales Tax Financing Corp., RB: | | |
| CAB, Series A, 6.58%, 8/01/31 (a) | 10,000 | 2,861,600 |
| CAB, Series A, 6.66%, 8/01/33 (a) | 12,670 | 3,143,680 |
| CAB, Series A, 6.67%, 8/01/36 (a) | 40,000 | 8,136,000 |
| First Sub-Series A, 6.50%, 8/01/44 | 10,900 | 12,547,426 |

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33,085,585

South Carolina 1.0%

South Carolina Jobs-EDA, Refunding RB:

| | | |
|--|-------|-----------|
| Palmetto Health Alliance, Series A, 6.25%, 8/01/31 | 5,075 | 5,222,784 |
| Palmetto Health, Series C, 6.88%, 8/01/13 (b) | 990 | 1,151,855 |
| | | 6,374,639 |

Tennessee 0.9%

Knox County Health Educational & Housing Facilities

| | | |
|---|-------|-----------|
| Board Tennessee, Refunding RB, CAB, Series A (AGM), 5.70%, 1/01/20 (a) | 5,055 | 3,143,654 |
|---|-------|-----------|

Rutherford County Health & Educational Facilities

| | | |
|---|-------|-----------|
| Board, RB, Ascension Health Senior Credit Group, 5.00%, 11/15/40 | 2,015 | 2,119,719 |
| | | 5,263,373 |

Texas 15.0%

Brazos River Authority, RB, TXU Electric, Series A, AMT,

| | | |
|-----------------|-------|-----------|
| 8.25%, 10/01/30 | 4,370 | 1,660,600 |
|-----------------|-------|-----------|

Brazos River Authority, Refunding RB, TXU Electric Co.

| | | |
|--|-------|-----------|
| Project, Series C, Mandatory Put Bonds, AMT, 5.75%, 5/01/36 (g) | 4,125 | 3,918,750 |
|--|-------|-----------|

| | | |
|---|-------|-----------|
| City of Dallas Texas, Refunding RB, 5.00%, 10/01/35 | 2,970 | 3,196,047 |
|---|-------|-----------|

| | | |
|---|-------|-----------|
| City of Houston Texas, RB, Senior Lien, Series A, 5.50%, 7/01/39 | 3,000 | 3,242,130 |
|---|-------|-----------|

| | | |
|---|--------|------------|
| City of Houston Texas, Refunding RB, Combined, First Lien, Series A (AGC), 6.00%, 11/15/35 | 16,425 | 19,027,048 |
|---|--------|------------|

Harris County-Houston Sports Authority, Refunding RB

| | | |
|---|-------|---------|
| (NPFGC) (a): CAB, Junior Lien, Series H, 6.12%, 11/15/35 | 5,000 | 787,150 |
|---|-------|---------|

| | | |
|---|--------|-----------|
| CAB, Senior Lien, Series A, 5.95%, 11/15/38 | 12,580 | 1,802,211 |
|---|--------|-----------|

| | | |
|---|--------|-----------|
| Third Lien, Series A-3, 5.97%, 11/15/37 | 26,120 | 3,411,533 |
|---|--------|-----------|

| Municipal Bonds | Par (000) | Value |
|---|----------------------|--------------|
| Texas (concluded) | | |
| Lower Colorado River Authority, Refunding RB: | | |
| (NPFGC), 5.00%, 5/15/13 (b) | \$ 50 | \$ 55,333 |
| (NPFGC), 5.00%, 5/15/13 (b) | 70 | 77,355 |
| (NPFGC), 5.00%, 5/15/31 | 2,275 | 2,316,792 |
| LCRA Transmission Services Project (AMBAC), 4.75%, 5/15/34 | 230 | 230,375 |

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| | | |
|--|--------|------------|
| Series A (NPFGC), 5.00%, 5/15/13 (b) | 5 | 5,533 |
| North Texas Tollway Authority, RB, Toll, 2nd Tier, Series F, 6.13%, 1/01/31 | 12,180 | 13,141,611 |
| San Antonio Energy Acquisition Public Facility Corp., RB, Gas Supply, 5.50%, 8/01/25 | 6,540 | 7,055,548 |
| State of Texas, GO, Transportation Community, Mobility Fund, Series A, 4.75%, 4/01/35 | 4,000 | 4,095,920 |
| Tarrant County Cultural Education Facilities Finance Corp., RB, Scott & White Healthcare, 6.00%, 8/15/45 | 7,930 | 8,467,813 |
| Texas Private Activity Bond Surface Transportation Corp., RB, Senior Lien: | | |
| LBJ Infrastructure Group LLC, LBJ Freeway Managed Lanes Project, 7.00%, 6/30/40 | 8,475 | 9,212,155 |
| NTE Mobility Partners LLC, North Tarrant Express Managed Lanes Project, 6.88%, 12/31/39 | 7,590 | 8,236,213 |
| Texas State Affordable Housing Corp., RB, American Opportunity Housing Portfolio, Junior Series B, 8.00%, 3/01/32 (c)(d) | 4,435 | 212,658 |
| Texas State Turnpike Authority, RB, First Tier, Series A (AMBAC), 5.00%, 8/15/42 | 740 | 719,739 |
| | | 90,872,514 |
| Utah 1.2% | | |
| City of Riverton Utah, RB, IHC Health Services Inc., 5.00%, 8/15/41 | 7,150 | 7,433,140 |
| Virginia 2.5% | | |
| City of Norfolk Virginia, Refunding RB, Series B (AMBAC), 5.50%, 2/01/31 | 2,635 | 2,635,580 |
| Tobacco Settlement Financing Corp. Virginia, Refunding RB, Senior Series B1, 5.00%, 6/01/47 | 5,780 | 4,057,907 |
| Virginia Commonwealth Transportation Board, RB, CAB, Contract, Route 28 (NPFGC), 5.29%, 4/01/32 (a) | 8,105 | 2,653,820 |
| Virginia HDA, RB, Sub-Series H-1 (NPFGC), 5.35%, 7/01/31 | 5,775 | 5,817,850 |
| | | 15,165,157 |
| Wisconsin 2.3% | | |
| Wisconsin Health & Educational Facilities Authority, RB: Ascension Health Senior Credit Group, 5.00%, 11/15/30 | 3,210 | 3,384,207 |
| Ascension Health Senior Credit Group, 5.00%, 11/15/33 | 1,640 | 1,709,126 |
| Aurora Health Care, 6.40%, 4/15/33 | 7,500 | 7,710,450 |

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| | | |
|---|-------|-----------|
| Wisconsin Health & Educational Facilities Authority, Refunding RB, Froedtert & Community Health Inc., 5.38%, 10/01/30 | 1,205 | 1,227,907 |
|---|-------|-----------|

14,031,690

Total Municipal Bonds 132.3%

802,690,828

**Municipal Bonds Transferred to
Tender Option Bond Trusts (h)**

Alabama 0.8%

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

4,548

4,681,839

California 3.1%

California Educational Facilities Authority, RB, University of
Southern California, Series A, 5.25%, 10/01/39

5,115

5,538,062

Los Angeles Community College District California, GO,
Election of 2001, Series A (AGM), 5.00%, 8/01/32

4,500

4,720,365

See Notes to Financial Statements.

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Schedule of Investments (concluded)

BlackRock Municipal Income Trust (BFK)

(Percentages shown are based on Net Assets)

| Municipal Bonds Transferred to Tender Option Bond Trusts (h) | Par (000) | Value |
|---|--------------|--------------|
| California (concluded) | | |
| San Diego Community College District California, GO, Election of 2002, 5.25%, 8/01/33 | \$ 3,260 | \$ 3,536,225 |
| University of California, RB, Series C (NPFGC), 4.75%, 5/15/37 | 5,000 | 5,038,800 |
| | | 18,833,452 |
| Colorado 2.1% | | |
| Colorado Health Facilities Authority, RB (AGM), Catholic Health: | | |
| Series C-3, 5.10%, 10/01/41 | 7,600 | 7,814,472 |
| Series C-7, 5.00%, 9/01/36 | 4,860 | 4,994,622 |
| | | 12,809,094 |
| Connecticut 3.3% | | |
| Connecticut State Health & Educational Facility Authority, RB, Yale University: | | |
| Series T-1, 4.70%, 7/01/29 | 9,400 | 10,092,216 |
| Series X-3, 4.85%, 7/01/37 | 9,360 | 9,877,514 |
| | | 19,969,730 |
| Illinois 1.4% | | |
| Chicago Housing Authority, Refunding RB (AGM), 5.00%, 7/01/24 | 8,232 | 8,718,403 |
| Massachusetts 1.2% | | |
| Massachusetts Water Resources Authority, Refunding RB, General, Series A, 5.00%, 8/01/41 | 6,770 | 7,093,267 |
| New Hampshire 0.7% | | |
| New Hampshire Health & Education Facilities Authority, Refunding RB, Dartmouth College, 5.25%, 6/01/39 | 3,988 | 4,383,893 |
| New York 4.4% | | |
| New York City Municipal Water Finance Authority, RB, Series FF-2, 5.50%, 6/15/40 | 3,074 | 3,469,961 |
| New York State Dormitory Authority, ERB, Series F, 5.00%, 3/15/35 | 16,709 | 17,454,636 |
| New York State Environmental Facilities Corp., RB, | | |

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| | | |
|--|---------------|--------------------------|
| Revolving Funds, New York City Municipal Water Project, Series B, 5.00%, 6/15/31 | 5,370 | 5,483,361 26,407,958 |
| Virginia 1.9% | | |
| University of Virginia, Refunding RB, General, 5.00%, 6/01/40 | 10,750 | 11,527,225 |
| Washington 3.5% | | |
| Central Puget Sound Regional Transit Authority, RB, Series A (AGM), 5.00%, 11/01/32 | 5,459 | 5,758,873 |
| State of Washington, GO, Various Purpose, Series E, 5.00%, 2/01/34 | 14,487 | 15,454,455 21,213,328 |
| Total Municipal Bonds Transferred to Tender Option Bond Trusts 22.4% | | |
| | | 135,638,189 |
| Total Long-Term Investments (Cost \$926,851,222) 154.7% | | |
| | | 938,329,017 |
| Short-Term Securities | | |
| | Shares | |
| FFI Institutional Tax-Exempt Fund, 0.13% (i)(j) | 2,847,544 | 2,847,544 |
| Total Short-Term Securities (Cost \$2,847,544) 0.5% | | |
| | | 2,847,544 |
| Total Investments (Cost \$929,698,766*) 155.2 | | |
| | | 941,176,561 |
| Other Assets Less Liabilities 1.9% | | |
| | | 11,556,262 |
| Liability for Trust Certificates, Including Interest Expense and Fees Payable (12.4)% | | |
| | | (75,241,751) |
| Preferred Shares, at Redemption Value (44.7)% | | |
| | | (270,891,235) |
| Net Assets Applicable to Common Shares 100.0% | | |
| | | \$ 606,599,837 |

* The cost and unrealized appreciation (depreciation) of investments as of October 31, 2010, as computed for federal income tax purposes, were as follows:

| | |
|-------------------------------|----------------|
| Aggregate cost | \$ 850,076,689 |
| Gross unrealized appreciation | \$ 41,261,813 |
| Gross unrealized depreciation | (25,344,088) |
| Net unrealized appreciation | \$ 15,917,725 |

(a) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.

(b) US government securities, held in escrow, are used to pay interest on this security as well as to retire the bond in full at the date indicated, typically at a premium to par.

(c) Issuer filed for bankruptcy and/or is in default of interest payments.

(d) Non-income producing security.

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(e) Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration to qualified institutional investors.

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

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

(h) Securities represent bonds transferred to a tender option bond trust in exchange for which the Trust acquired residual interest certificates. These securities serve as collateral in a financing transaction. See Note 1 of the Notes to Financial Statements for details of municipal bonds transferred to tender option bond trusts.

(i) Investments in companies considered to be an affiliate of the Trust during the period, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

| Affiliate | Shares Held at April 30, 2010 | Net Activity | Shares Held at October 31, 2010 | Income |
|--------------------------------------|--|-------------------------|--|---------------|
| FFI Institutional Tax-Exempt Fund | 22,810,780 | (19,963,236) | 2,847,544 | \$ 7,290 |

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

Fair Value Measurements Various inputs are used in determining the fair value of investments, which are as follows:

Level 1 price quotations in active markets/exchanges for identical assets and liabilities

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

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

The inputs or methodologies used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. For information about the Trust's policy regarding valuation of investments and other significant accounting policies, please refer to Note 1 of the Notes to Financial Statements.

The following table summarizes the inputs used as of October 31, 2010 in determining the fair valuation of the Trust's investments:

| Valuation Inputs | Level 1 | Level 2 | Level 3 | Total |
|----------------------------|----------------|----------------|----------------|--------------|
| Assets: | | | | |
| Investments in Securities: | | | | |
| Long-Term | | | | |

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| | | | |
|--------------------------|---------------------|----------------------|----------------------|
| Investments ¹ | | \$938,329,017 | \$938,329,017 |
| Short-Term | | | |
| Securities | \$ 2,847,544 | | 2,847,544 |
| Total | \$ 2,847,544 | \$938,329,017 | \$941,176,561 |

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

See Notes to Financial Statements.

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Schedule of Investments October 31, 2010 (Unaudited)

BlackRock Pennsylvania Strategic Municipal Trust (BPS)

(Percentages shown are based on Net Assets)

| | Par (000) | Value |
|---|--------------|------------|
| Municipal Bonds | | |
| Pennsylvania 106.0% | | |
| Corporate 3.9% | | |
| Beaver County IDA, Refunding RB, FirstEnergy, Mandatory Put Bonds, 3.38%, 1/01/35 (a) | \$ 200 | \$ 199,522 |
| Pennsylvania Economic Development Financing Authority, RB, Aqua Pennsylvania Inc. Project, Series A, AMT, 6.75%, 10/01/18 | 600 | 719,406 |
| Pennsylvania Economic Development Financing Authority, Refunding RB, Aqua Pennsylvania Inc. Project, Series A, AMT, 5.00%, 12/01/34 (b) | 200 | 198,882 |
| | | 1,117,810 |
| County/City/Special District/School District 12.6% | | |
| Delaware Valley Regional Financial Authority, RB, Series A (AMBAC), 5.50%, 8/01/28 | 1,500 | 1,626,270 |
| Marple Newtown School District, GO (AGM), 5.00%, 6/01/31 | 600 | 640,980 |
| Owen J Roberts School District, GO, 4.75%, 11/15/25 | 700 | 751,800 |
| Philadelphia School District, GO, Series E, 6.00%, 9/01/38 | 100 | 109,051 |
| Scranton School District Pennsylvania, GO, Series A (AGM), 5.00%, 7/15/38 | 500 | 518,335 |
| | | 3,646,436 |
| Education 15.3% | | |
| Adams County IDA, Refunding RB, Gettysburg College: 5.00%, 8/15/24 | 100 | 109,646 |
| 5.00%, 8/15/25 | 100 | 108,963 |
| 4.50%, 8/15/27 | 140 | 144,358 |
| Cumberland County Municipal Authority, RB, AICUP Financing Program, Dickinson College Project, 5.00%, 11/01/39 | 200 | 201,008 |
| Delaware County Authority Pennsylvania, RB, Villanova University, 5.25%, 12/01/31 | 100 | 108,491 |
| Delaware County Authority, RB, Haverford College: 5.00%, 11/15/35 | 415 | 445,606 |

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| | | |
|--|-------|-----------|
| 5.00%, 11/15/40 | 300 | 321,387 |
| Lancaster Higher Education Authority, RB, Franklin & Marshall College Project, 5.00%, 4/15/37 | 500 | 515,045 |
| Pennsylvania Higher Educational Facilities Authority, RB: Drexel University, Series A (NPFGC), 5.00%, 5/01/37 | 250 | 255,030 |
| Thomas Jefferson University, 5.00%, 3/01/40 | 1,000 | 1,041,600 |
| Pennsylvania Higher Educational Facilities Authority, Refunding RB, Saint Joseph s University, Series A: 5.00%, 11/01/34 | 200 | 207,822 |
| 5.00%, 11/01/40 | 300 | 306,876 |
| Swarthmore Borough Authority, Refunding RB, Series A, 4.30%, 9/15/28 | 285 | 293,342 |
| University of Pittsburgh Pennsylvania, RB, Capital Project, Series B, 5.00%, 9/15/28 | 350 | 387,289 |
| | | 4,446,463 |

Health 40.2%

| | | |
|--|-------|-----------|
| Allegheny County Hospital Development Authority, Refunding RB, Health System, West Penn, Series A: 5.00%, 11/15/28 | 250 | 198,335 |
| 5.38%, 11/15/40 | 220 | 169,356 |
| Berks County Municipal Authority, Refunding RB, Reading Hospital & Medical Center Project, Series A-3, 5.50%, 11/01/31 | 500 | 539,375 |
| Bucks County IDA, Refunding RB, Pennswood Village Project, Series A, 6.00%, 10/01/12 (c) | 1,150 | 1,270,704 |
| Cumberland County Municipal Authority, RB, Diakon Lutheran, 6.38%, 1/01/39 | 500 | 528,440 |
| Dauphin County General Authority, Refunding RB, Pinnacle Health System Project, Series A, 6.00%, 6/01/29 | 500 | 536,705 |
| Franklin County IDA Pennsylvania, RB, Chambersburg Hospital Project, 5.38%, 7/01/42 | 415 | 423,914 |

| | Par (000) | Value |
|---|--------------|--------------|
| Municipal Bonds | | |
| Pennsylvania (continued) | | |
| Health (concluded) | | |
| Lehigh County General Purpose Authority, Refunding RB, Hospital, Saint Luke s Bethlehem, 5.38%, 8/15/13 (c) | \$ 2,000 | \$ 2,255,000 |
| Lycoming County Authority, Refunding RB, Susquehanna Health System Project, Series A, 5.75%, 7/01/39 | 210 | 218,259 |

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| | | |
|---|-------|------------|
| Monroe County Hospital Authority Pennsylvania, Refunding RB, Hospital, Pocono Medical Center, 5.13%, 1/01/37 | 345 | 343,741 |
| Montgomery County Higher Education & Health Authority, Refunding RB, Abington Memorial Hospital, Series A, 5.13%, 6/01/33 | 370 | 375,502 |
| Montgomery County IDA Pennsylvania, RB, Acts Retirement Life Community: 5.25%, 11/15/28 | 1,250 | 1,244,200 |
| Series A, 4.50%, 11/15/36 | 390 | 323,205 |
| New Regional Medical Center Project (FHA), 5.38%, 8/01/38 | 535 | 563,815 |
| Pennsylvania Higher Educational Facilities Authority, RB, University of Pittsburgh Medical Center, Series E, 5.00%, 5/15/31 | 1,000 | 1,036,070 |
| South Fork Municipal Authority, Refunding RB, Conemaugh Valley Memorial, Series B (AGC), 5.38%, 7/01/35 | 245 | 254,435 |
| Southcentral General Authority Pennsylvania, Refunding RB, Wellspan Health Obligor Group, Series A, 6.00%, 6/01/29 | 1,250 | 1,393,837 |
| | | 11,674,893 |
| Housing 9.5% | | |
| Pennsylvania HFA, RB: Series 94-A, AMT, 5.10%, 10/01/31 | 150 | 152,274 |
| Series 95-A, AMT, 4.90%, 10/01/37 | 1,000 | 1,006,040 |
| Series 103C, 5.40%, 10/01/33 | 5 | 5,283 |
| Pennsylvania HFA, Refunding RB, AMT: S/F Mortgage, Series 92-A, 4.75%, 4/01/31 | 110 | 109,996 |
| Series 97A, 4.65%, 10/01/31 | 1,300 | 1,282,840 |
| Series 99A, 5.15%, 4/01/38 | 200 | 212,504 |
| | | 2,768,937 |
| State 2.0% | | |
| Commonwealth of Pennsylvania, GO, First Series, 5.00%, 3/15/29 | 275 | 303,039 |
| State Public School Building Authority, Refunding RB, Harrisburg School District Project, Series A (AGC), 5.00%, 11/15/33 | 250 | 263,313 |
| | | 566,352 |
| Transportation 14.2% | | |
| City of Philadelphia Pennsylvania, RB, Series A, 5.00%, 6/15/40 (b) | 400 | 404,856 |

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| | | |
|--|-------|-----------|
| Delaware River Port Authority, RB, Series D, 5.00%, 1/01/40 | 750 | 781,890 |
| Pennsylvania Economic Development Financing Authority, RB, Amtrak Project, Series A, AMT: | | |
| 6.25%, 11/01/31 | 1,000 | 1,015,760 |
| 6.38%, 11/01/41 | 1,000 | 1,015,530 |
| Pennsylvania Turnpike Commission, RB, Series A (AMBAC), 5.25%, 12/01/32 | | |
| | 870 | 908,367 |
| | | 4,126,403 |
| Utilities 8.3% | | |
| City of Philadelphia Pennsylvania, RB: | | |
| Ninth Series, 5.25%, 8/01/40 | 270 | 272,317 |
| Series A, 5.25%, 1/01/36 | 100 | 105,214 |
| Series C (AGM), 5.00%, 8/01/40 | 350 | 363,391 |
| Delaware County IDA Pennsylvania, RB, Water Facilities, AMT (NPFGC), 6.00%, 6/01/29 | | |
| | 1,250 | 1,253,400 |

See Notes to Financial Statements.

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Schedule of Investments (continued)

BlackRock Pennsylvania Strategic Municipal Trust (BPS)

(Percentages shown are based on Net Assets)

| | Par (000) | Value |
|---|--------------|------------|
| Municipal Bonds | | |
| Pennsylvania (concluded) | | |
| Utilities (concluded) | | |
| Montgomery County IDA Pennsylvania, RB, Aqua Pennsylvania Inc. Project, Series A, AMT, 5.25%, 7/01/42 | \$ 300 | \$ 308,559 |
| Pennsylvania Economic Development Financing Authority, RB, Philadelphia Biosolids Facility, 6.25%, 1/01/32 | 100 | 107,952 |
| | | 2,410,833 |
| Total Municipal Bonds in Pennsylvania | | 30,758,127 |
| Multi-State 11.8% | | |
| Housing 11.8% | | |
| MuniMae TE Bond Subsidiary LLC, 7.50%, 6/30/49 (a)(d)(e) | 3,731 | 3,432,466 |
| Total Municipal Bonds in Multi-State | | 3,432,466 |
| Puerto Rico 18.2% | | |
| State 15.6% | | |
| Commonwealth of Puerto Rico, GO, Refunding, Sub-Series C-7 (NPFGC), 6.00%, 7/01/27 | 1,385 | 1,503,459 |
| Puerto Rico Public Buildings Authority, Refunding RB, Government Facilities, Series N, 5.00%, 7/01/37 | 300 | 295,632 |
| Puerto Rico Public Finance Corp., RB, Commonwealth Appropriation, Series E, 5.50%, 2/01/12 (c) | 1,495 | 1,586,868 |
| Puerto Rico Sales Tax Financing Corp., RB, First Sub-Series A, 6.38%, 8/01/39 | 1,000 | 1,142,930 |
| | | 4,528,889 |
| Utilities 2.6% | | |
| Puerto Rico Aqueduct & Sewer Authority, RB, Senior Lien, Series A, 6.00%, 7/01/38 | 200 | 214,176 |
| Puerto Rico Electric Power Authority, RB, Series WW, 5.50%, 7/01/38 | 500 | 525,480 |
| | | 739,656 |
| Total Municipal Bonds in Puerto Rico | | 5,268,545 |
| U.S. Virgin Islands 0.4% | | |

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State 0.4%

| | | |
|--|-----|------------|
| Virgin Islands Public Finance Authority, RB, Senior Lien, Capital Projects, Series A-1, 5.00%, 10/01/39 | 100 | 99,541 |
| Total Municipal Bonds in U.S. Virgin Islands | | 99,541 |
| Total Municipal Bonds 136.4% | | 39,558,679 |

**Municipal Bonds Transferred to
Tender Option Bond Trusts (f)**

Pennsylvania 28.6%

Education 5.4%

| | | |
|--|-------|-----------|
| Pennsylvania Higher Educational Facilities Authority, Refunding RB, Trustees of the University of Pennsylvania, Series C, 4.75%, 7/15/35 | 500 | 509,475 |
| Pennsylvania State University, RB, 5.00%, 3/01/40 | 1,000 | 1,074,820 |
| | | 1,584,295 |

Health 9.0%

| | | |
|---|-------|-----------|
| Geisinger Authority, RB, Series A: 5.13%, 6/01/34 | 500 | 525,310 |
| 5.25%, 6/01/39 | 1,000 | 1,052,900 |
| Philadelphia Hospitals & Higher Education Facilities Authority, Refunding RB, Jefferson Health System, Series B, 5.00%, 5/15/40 | 1,000 | 1,028,260 |
| | | 2,606,470 |

**Municipal Bonds Transferred to
Tender Option Bond Trusts (f)**

**Par
(000) Value**

Pennsylvania (concluded)

Housing 3.5%

| | | |
|--|--------|------------|
| Pennsylvania HFA, Refunding RB: Series 96-A, AMT, 4.70%, 10/01/37 | \$ 500 | \$ 489,510 |
| Series 105C, 5.00%, 10/01/39 | 500 | 518,410 |
| | | 1,007,920 |

State 6.8%

| | | |
|--|-------|-----------|
| Commonwealth of Pennsylvania, GO, First Series, 5.00%, 3/15/28 | 825 | 912,623 |
| Pennsylvania Turnpike Commission, RB, Series C of 2003 Pennsylvania Turnpike (NPFGC), 5.00%, 12/01/32 | 1,000 | 1,050,850 |
| | | 1,963,473 |

Transportation 3.9%

| | | |
|---|-------|-----------|
| City of Philadelphia Pennsylvania, RB, Series A, AMT (AGM), 5.00%, 6/15/37 | 1,150 | 1,144,905 |
|---|-------|-----------|

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| | | |
|---|---------------|---------------|
| Total Municipal Bonds Transferred to | | |
| Tender Option Bond Trusts 28.6% | | 8,307,063 |
| Total Long-Term Investments | | |
| (Cost \$46,236,904) 165.0% | | 47,865,742 |
| Short-Term Securities | Shares | |
| BIF Pennsylvania Municipal Money Fund 0.00% (g)(h) | 1,405,525 | 1,405,525 |
| Total Short-Term Securities | | |
| (Cost \$1,405,525) 4.8% | | 1,405,525 |
| Total Investments (Cost \$47,642,429*) 169.8% | | 49,271,267 |
| Other Assets Less Liabilities 0.7% | | 190,777 |
| Liability for Trust Certificates, Including Interest | | |
| Expense and Fees Payable (14.2)% | | (4,128,175) |
| Preferred Shares, at Redemption Value (56.3)% | | (16,325,762) |
| Net Assets Applicable to Common Shares 100.0% | | \$ 29,008,107 |

* The cost and unrealized appreciation (depreciation) of investments as of October 31, 2010, as computed for federal income tax purposes, were as follows:

| | |
|-------------------------------|---------------|
| Aggregate cost | \$ 43,388,703 |
| Gross unrealized appreciation | \$ 2,189,048 |
| Gross unrealized depreciation | (431,239) |
| Net unrealized appreciation | \$ 1,757,809 |

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

(b) When-issued security. Unsettled when-issued transactions were as follows:

| Counterparty | Value | Unrealized Appreciation (Depreciation) |
|---------------------------|--------------|---|
| Merrill Lynch & Co., Inc. | \$ 404,856 | \$ (600) |
| Pershing LLC | \$ 198,882 | \$ 270 |

(c) US government securities, held in escrow, are used to pay interest on this security as well as to retire the bond in full at the date indicated, typically at a premium to par.

(d) Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration to qualified institutional investors.

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

(f) Securities represent bonds transferred to a tender option bond trust in exchange

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for which the Trust acquired residual interest certificates. These securities serve as collateral in a financing transaction. See Note 1 of the Notes to Financial Statements for details of municipal bonds transferred to tender option bond trusts.

See Notes to Financial Statements.

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Schedule of Investments (concluded)

BlackRock Pennsylvania Strategic Municipal Trust (BPS)

(g) Investments in companies considered to be an affiliate of the Trust during the period, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

| Affiliate | Shares Held at | Net Activity | Shares Held at | Income |
|---|-------------------|-----------------|---------------------|--------|
| | April 30, 2010 | | October 31, 2010 | |
| BIF Pennsylvania Municipal Money Fund | 455,164 | 950,361 | 1,405,525 | |

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

For Trust compliance purposes, the Trust's sector classifications refer to any one or more of the sector sub-classifications used by one or more widely recognized market indexes or ratings group indexes, and/or as defined by Trust management. This definition may not apply for purposes of this report, which may combine such sector sub-classifications for reporting ease.

Fair Value Measurements Various inputs are used in determining the fair value of investments, which are as follows:

Level 1 price quotations in active markets/exchanges for identical assets and liabilities

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

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

The inputs or methodologies used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. For information about the Trust's policy regarding valuation of investments and other significant accounting policies, please refer to Note 1 of the Notes to Financial Statements.

The following table summarizes the inputs used as of October 31, 2010 in determining the fair valuation of the Trust's investments:

| Valuation Inputs | Level 1 | Level 2 | Level 3 | Total |
|------------------|---------|---------|---------|-------|
|------------------|---------|---------|---------|-------|

Assets:

Investments in Securities:

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| | | | |
|--------------------------|---------------------|----------------------|----------------------|
| Long-Term | | | |
| Investments ¹ | | \$ 47,865,742 | \$ 47,865,742 |
| Short-Term | | | |
| Securities | \$ 1,405,525 | | 1,405,525 |
| Total | \$ 1,405,525 | \$ 47,865,742 | \$ 49,271,267 |

¹ See above Schedule of Investments for values in each sector.

See Notes to Financial Statements.

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OCTOBER 31, 2010

Schedule of Investments October 31, 2010 (Unaudited)

BlackRock Strategic Municipal Trust (BSD)

(Percentages shown are based on Net Assets)

| | Par (000) | Value |
|---|--------------|------------|
| Municipal Bonds | | |
| Arizona 3.7% | | |
| Maricopa County Pollution Control Corp., Refunding RB, Southern California Edison Co., Series A, 5.00%, 6/01/35 | \$ 540 | \$ 551,950 |
| Pima County IDA, Refunding IDRB, Tucson Electric Power, 5.75%, 9/01/29 | 350 | 361,683 |
| Salt River Project Agricultural Improvement & Power District, RB, Series A, 5.00%, 1/01/38 | 625 | 659,213 |
| Salt Verde Financial Corp., RB, Senior, 5.00%, 12/01/37 | 1,320 | 1,241,671 |
| San Luis Facility Development Corp., RB, Senior Lien, Regional Detention Center Project: | | |
| 6.25%, 5/01/15 | 210 | 204,364 |
| 7.00%, 5/01/20 | 210 | 204,336 |
| 7.25%, 5/01/27 | 420 | 396,900 |
| | | 3,620,117 |
| California 15.0% | | |
| Bay Area Toll Authority, Refunding RB, San Francisco Bay Area, Series F-1, 5.63%, 4/01/44 | 720 | 799,135 |
| California County Tobacco Securitization Agency, RB, CAB, Stanislaus, Sub-Series C, 6.30%, 6/01/55 (a) | 3,095 | 37,914 |
| California State Public Works Board, RB, Various Capital Projects, Sub-Series I-1, 6.38%, 11/01/34 | 375 | 411,026 |
| Los Angeles Department of Airports, RB, Series A, 5.25%, 5/15/39 | 250 | 263,645 |
| Los Angeles Department of Airports, Refunding RB, Senior, Los Angeles International Airport, Series A, 5.00%, 5/15/40 | 1,875 | 1,944,112 |
| Los Angeles Unified School District California, GO, Series D, 5.00%, 7/01/26 | 1,585 | 1,715,794 |
| San Francisco City & County Public Utilities Commission, RB, Series B, 5.00%, 11/01/39 | 2,965 | 3,141,329 |
| State of California, GO, Various Purpose: 6.00%, 3/01/33 | 800 | 918,912 |

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| | | |
|--|--------------|--------------|
| 6.50%, 4/01/33 | 650 | 764,185 |
| University of California, RB, Limited Project, Series B, | | |
| 4.75%, 5/15/38 | 1,285 | 1,294,548 |
| West Valley-Mission Community College District, GO, | | |
| Election of 2004, Series A (AGM), 4.75%, 8/01/30 | 3,350 | 3,422,494 |
| | | 14,713,094 |
| Colorado 5.5% | | |
| City of Colorado Springs Colorado, RB, Subordinate Lien, | | |
| Improvement, Series C (AGM), 5.00%, 11/15/45 | 395 | 408,316 |
| Colorado Health Facilities Authority, Refunding RB: | | |
| Catholic Healthcare, Series A, 5.50%, 7/01/34 | 680 | 732,380 |
| Sisters of Leavenworth, Series A, 5.00%, 1/01/40 | 690 | 703,172 |
| Northwest Parkway Public Highway Authority Colorado, RB, | | |
| CAB, Senior Series B (AGM), 6.30%, 6/15/11 (a)(b) | 10,000 | 3,114,100 |
| Park Creek Metropolitan District Colorado, Refunding RB, | | |
| Senior, Limited Tax, Property Tax, 5.50%, 12/01/37 | 440 | 439,362 |
| | | 5,397,330 |
| Delaware 1.3% | | |
| Delaware State EDA, RB, Exempt Facilities, Indian River | | |
| Power, 5.38%, 10/01/45 | 1,280 | 1,274,931 |
| District of Columbia 0.7% | | |
| Metropolitan Washington Airports Authority, RB, First | | |
| Senior Lien, Series A: | | |
| 5.00%, 10/01/39 | 160 | 166,453 |
| 5.25%, 10/01/44 | 465 | 490,728 |
| | | 657,181 |
| | Par | Value |
| Municipal Bonds | (000) | |
| Florida 7.4% | | |
| Arborwood Community Development District, Special | | |
| Assessment Bonds, Master Infrastructure Projects, | | |
| Series B, 5.10%, 5/01/14 | \$ 1,425 | \$ 1,126,178 |
| County of Miami-Dade Florida, Refunding RB, Miami | | |
| International Airport, Series A-1, 5.38%, 10/01/41 | 370 | 381,903 |
| Hillsborough County IDA, RB, National Gypsum Co., | | |
| Series A, AMT, 7.13%, 4/01/30 | 3,300 | 3,216,906 |
| Miami Beach Health Facilities Authority, RB, Mount Sinai | | |
| Medical Center of Florida, 6.75%, 11/15/21 | 1,170 | 1,222,346 |
| Sumter Landing Community Development District Florida, | | |

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| | | |
|---|-------|------------|
| RB, Sub-Series B, 5.70%, 10/01/38 | 1,540 | 1,281,141 |
| | | 7,228,474 |
| Georgia 1.5% | | |
| De Kalb Private Hospital Authority, Refunding RB, Children s Healthcare, 5.25%, 11/15/39 | 265 | 278,822 |
| Metropolitan Atlanta Rapid Transit Authority, RB, Third Series, 5.00%, 7/01/39 | 1,095 | 1,174,519 |
| | | 1,453,341 |
| Guam 0.8% | | |
| Territory of Guam, GO, Series A: 6.00%, 11/15/19 | 200 | 213,804 |
| 6.75%, 11/15/29 | 290 | 321,216 |
| 7.00%, 11/15/39 | 195 | 218,480 |
| | | 753,500 |
| Illinois 11.1% | | |
| Illinois Finance Authority, RB: MJH Education Assistance IV LLC, Sub-Series B, 5.38%, 6/01/35 (c)(d) | 300 | 80,994 |
| Navistar International, Recovery Zone, 6.50%, 10/15/40 | 485 | 503,192 |
| Northwestern University, 5.00%, 12/01/33 | 5,000 | 5,188,200 |
| Illinois Finance Authority, Refunding RB: Central DuPage Health, Series B, 5.50%, 11/01/39 | 2,500 | 2,654,900 |
| Friendship Village Schaumburg, Series A, 5.63%, 2/15/37 | 145 | 119,625 |
| Metropolitan Pier & Exposition Authority, Refunding RB (AGM): CAB, McCormick Place Expansion Project, Series B, 6.25%, 6/15/44 (a) | 2,980 | 381,142 |
| McCormick Place Expansion Project, Series B, 5.00%, 6/15/50 | 990 | 988,248 |
| McCormick Place Expansion Project, Series B-2, 5.00%, 6/15/50 | 785 | 772,966 |
| State of Illinois, RB, Build Illinois, Series B, 5.25%, 6/15/34 | 200 | 209,306 |
| | | 10,898,573 |
| Indiana 2.3% | | |
| Indiana Finance Authority, RB, Sisters of St. Francis Health, 5.25%, 11/01/39 | 270 | 281,202 |
| Indiana Finance Authority, Refunding RB, Ascension Health Senior Credit, Series B-5, 5.00%, 11/15/36 | 500 | 509,645 |

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Indiana Health Facility Financing Authority, Refunding RB,

| | | |
|---|-------|-----------|
| Methodist Hospital Inc., 5.38%, 9/15/22 | 1,060 | 1,034,952 |
|---|-------|-----------|

Indiana Municipal Power Agency, RB, Series B,

| | | |
|----------------|-----|---------|
| 6.00%, 1/01/39 | 350 | 384,790 |
|----------------|-----|---------|

2,210,589

Kansas 0.5%

Kansas Development Finance Authority, Refunding RB,

| | | |
|--|-----|---------|
| Sisters of Leavenworth, Series A, 5.00%, 1/01/40 | 525 | 539,747 |
|--|-----|---------|

See Notes to Financial Statements.

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Schedule of Investments (continued)

BlackRock Strategic Municipal Trust (BSD)

(Percentages shown are based on Net Assets)

| | Par (000) | Value |
|---|--------------|--------------|
| Municipal Bonds | | |
| Kentucky 8.4% | | |
| Kentucky Economic Development Finance Authority, Refunding RB: Norton Healthcare Inc., Series B (NPFGC), 6.20%, 10/01/24 (a) | \$ 16,870 | \$ 7,883,182 |
| Owensboro Medical Health System, Series A, 6.38%, 6/01/40 | 320 | 339,162 |
| | | 8,222,344 |
| Maryland 2.9% | | |
| Maryland Community Development Administration, Refunding RB, Residential, Series A, AMT, 4.70%, 9/01/37 | 2,500 | 2,466,050 |
| Maryland EDC, RB, Transportation Facilities Project, Series A, 5.75%, 6/01/35 | 135 | 140,647 |
| Maryland EDC, Refunding RB, CNX Marine Terminals, Inc., 5.75%, 9/01/25 | 260 | 265,460 |
| | | 2,872,157 |
| Massachusetts 0.6% | | |
| Massachusetts Health & Educational Facilities Authority, Refunding RB, Partners Healthcare, Series J1, 5.00%, 7/01/39 | 570 | 586,120 |
| Michigan 1.2% | | |
| Kalamazoo Hospital Finance Authority, Refunding RB, Bronson Methodist Hospital, 5.50%, 5/15/36 | 435 | 445,697 |
| Michigan State Hospital Finance Authority, Refunding RB, Henry Ford Health System, Series A, 5.25%, 11/15/46 | 730 | 728,569 |
| | | 1,174,266 |
| Missouri 0.3% | | |
| Missouri State Health & Educational Facilities Authority, RB, Senior Living Facilities, Lutheran Senior Home, 5.50%, 2/01/42 | 330 | 328,990 |
| Montana 0.8% | | |
| Montana Facility Finance Authority, Refunding RB, | | |

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| | | |
|---|--------------|--------------|
| Sisters of Leavenworth, Series A, 4.75%, 1/01/40 | 715 | 739,682 |
| Multi-State 5.5% | | |
| Centerline Equity Issuer Trust, 7.60%, 12/15/50 (e)(f) | 2,000 | 2,008,080 |
| MuniMae TE Bond Subsidiary LLC, 7.50%, 6/30/49 (e)(f)(g) | 3,731 | 3,432,466 |
| | | 5,440,546 |
| Nebraska 0.8% | | |
| Douglas County Hospital Authority No. 2, RB, Health Facilities, Immanuel Obligation Group, 5.63%, 1/01/40 | 720 | 740,981 |
| Nevada 0.9% | | |
| County of Clark Nevada, Refunding RB, Alexander Dawson School Nevada Project, 5.00%, 5/15/29 | 880 | 892,734 |
| New Jersey 4.7% | | |
| Middlesex County Improvement Authority, RB, Subordinate, Heldrich Center Hotel, Series B, 6.25%, 1/01/37 | 645 | 96,486 |
| New Jersey EDA, RB: Cigarette Tax, 5.50%, 6/15/24 | 1,790 | 1,791,808 |
| Continental Airlines Inc. Project, AMT, 6.63%, 9/15/12 | 500 | 506,755 |
| New Jersey State Turnpike Authority, RB, Series E, 5.25%, 1/01/40 | 1,355 | 1,463,183 |
| Tobacco Settlement Financing Corp. New Jersey, Refunding RB, Series 1A, 4.50%, 6/01/23 | 800 | 748,704 |
| | | 4,606,936 |
| | Par | Value |
| Municipal Bonds | (000) | |
| New York 3.8% | | |
| Albany Industrial Development Agency, RB, New Covenant Charter School Project, Series A, 7.00%, 5/01/35 (c)(d) | \$ 315 | \$ 125,987 |
| New York City Industrial Development Agency, RB, American Airlines Inc., JFK International Airport, AMT, 7.75%, 8/01/31 (g) | 3,000 | 3,183,180 |
| New York Liberty Development Corp., Refunding RB, Second Priority, Bank of America Tower at One Bryant Park Project, 6.38%, 7/15/49 | 385 | 412,501 |
| | | 3,721,668 |
| North Carolina 1.8% | | |
| North Carolina Capital Facilities Finance Agency, RB, Duke Energy Carolinas, Series B, 4.38%, 10/01/31 | 505 | 495,142 |

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| | | |
|--|-------|-----------|
| North Carolina Capital Facilities Finance Agency, Refunding RB, Duke Energy Carolinas, Series B, 4.63%, 11/01/40 | 505 | 491,415 |
| North Carolina Medical Care Commission, RB, Duke University Health System, Series A, 5.00%, 6/01/42 | 440 | 458,058 |
| North Carolina Municipal Power Agency No. 1 Catawba, Refunding RB, Series A, 5.00%, 1/01/30 | 340 | 357,670 |
| | | 1,802,285 |
| Ohio 1.8% | | |
| Buckeye Tobacco Settlement Financing Authority, RB, Asset-Backed, Senior Series A-2, 6.50%, 6/01/47 | 1,000 | 836,160 |
| County of Montgomery Ohio, Refunding RB, Catholic Healthcare, Series A, 5.00%, 5/01/39 | 885 | 924,249 |
| | | 1,760,409 |
| Oklahoma 1.3% | | |
| Tulsa Airports Improvement Trust, RB, Series A, Mandatory Put Bonds, AMT, 7.75%, 6/01/35 (g) | 1,225 | 1,266,711 |
| Pennsylvania 8.4% | | |
| Allegheny County Hospital Development Authority, Refunding RB, Health System, West Penn, Series A, 5.38%, 11/15/40 | 750 | 577,350 |
| Pennsylvania Economic Development Financing Authority, RB: | | |
| Amtrak Project, Series A, AMT, 6.50%, 11/01/16 | 1,000 | 1,027,180 |
| Amtrak Project, Series A, AMT, 6.13%, 11/01/21 | 700 | 712,992 |
| Amtrak Project, Series A, AMT, 6.25%, 11/01/31 | 1,000 | 1,015,760 |
| Aqua Pennsylvania Inc. Project, 5.00%, 11/15/40 | 600 | 618,474 |
| Reliant Energy, Series A, AMT, 6.75%, 12/01/36 | 2,000 | 2,059,920 |
| Pennsylvania Turnpike Commission, RB, Sub-Series B, 5.25%, 6/01/39 | 2,175 | 2,261,130 |
| | | 8,272,806 |
| Puerto Rico 3.1% | | |
| Commonwealth of Puerto Rico, GO, Refunding, Public Improvement, Series C, 6.00%, 7/01/39 | 940 | 1,033,173 |
| Puerto Rico Sales Tax Financing Corp., RB, First Sub-Series A, 6.50%, 8/01/44 | 1,770 | 2,037,518 |
| | | 3,070,691 |
| South Carolina 3.0% | | |
| South Carolina Jobs-EDA, Refunding RB, Palmetto Health, Series C (b): 7.00%, 8/01/13 | 2,225 | 2,583,403 |

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7.00%, 8/01/13

275

320,853

2,904,256

See Notes to Financial Statements.

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Schedule of Investments (continued)

BlackRock Strategic Municipal Trust (BSD)

(Percentages shown are based on Net Assets)

| | Par (000) | Value |
|---|--------------|------------|
| Municipal Bonds | | |
| Texas 16.1% | | |
| Brazos River Authority, RB, TXU Electric, Series A, AMT, 8.25%, 10/01/30 | \$ 730 | \$ 277,400 |
| Brazos River Authority, Refunding RB, TXU Electric Co. Project, Series C, Mandatory Put Bonds, AMT, 5.75%, 5/01/36 (g) | 705 | 669,750 |
| City of Dallas Texas, Refunding RB, 5.00%, 10/01/35 | 475 | 511,152 |
| City of Houston Texas, RB, Senior Lien, Series A, 5.50%, 7/01/39 | 485 | 524,144 |
| City of Houston Texas, Refunding RB, Combined, First Lien, Series A (AGC), 6.00%, 11/15/35 | 2,730 | 3,162,487 |
| Harris County-Houston Sports Authority, Refunding RB, CAB, Senior Lien, Series A (NPFGC), 6.18%, 11/15/38 (a) | 4,750 | 680,485 |
| La Joya ISD Texas, GO (PSF-GTD), 5.00%, 2/15/34 | 4,060 | 4,190,245 |
| La Vernia Higher Education Finance Corp., RB, KIPP Inc., 6.38%, 8/15/44 | 500 | 528,525 |
| North Texas Tollway Authority, RB, Toll, 2nd Tier, Series F, 6.13%, 1/01/31 | 1,025 | 1,105,924 |
| Tarrant County Cultural Education Facilities Finance Corp., RB, Scott & White Healthcare, 6.00%, 8/15/45 | 1,270 | 1,356,131 |
| Texas Private Activity Bond Surface Transportation Corp., RB: Senior Lien, LBJ Infrastructure Group LLC, LBJ Freeway Managed Lanes Project, 7.00%, 6/30/40 | 1,355 | 1,472,858 |
| Senior Lien, NTE Mobility Partners LLC, North Tarrant Express Managed Lanes Project, 6.88%, 12/31/39 | 1,220 | 1,323,871 |
| | | 15,802,972 |
| Utah 1.2% | | |
| City of Riverton Utah, RB, IHC Health Services Inc., 5.00%, 8/15/41 | 1,150 | 1,195,540 |
| Virginia 4.8% | | |
| City of Norfolk Virginia, Refunding RB, Series B (AMBAC), 5.50%, 2/01/31 | 420 | 420,093 |

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| | | |
|--|-------|-----------|
| Tobacco Settlement Financing Corp. Virginia, Refunding RB, Senior Series B1, 5.00%, 6/01/47 | 850 | 596,751 |
| University of Virginia, Refunding RB, General, 5.00%, 6/01/40 | 2,500 | 2,680,750 |
| Virginia HDA, RB, Sub-Series H-1 (NPFGC), 5.35%, 7/01/31 | 960 | 967,123 |
| | | 4,664,717 |

Wisconsin 2.3%

| | | |
|---|-------|-----------|
| Wisconsin Health & Educational Facilities Authority, RB, Ascension Health Credit Group, Series A, 5.00%, 11/15/31 | 2,165 | 2,248,374 |
|---|-------|-----------|

Wyoming 1.2%

| | | |
|--|-----|-----------|
| County of Sweetwater Wyoming, Refunding RB, Idaho Power Co. Project, 5.25%, 7/15/26 | 975 | 1,053,419 |
| Wyoming Municipal Power Agency, RB, Series A, 5.00%, 1/01/42 | 95 | 96,394 |
| | | 1,149,813 |

Total Municipal Bonds 124.7%

122,211,875

Municipal Bonds Transferred to

Tender Option Bond Trusts (h)

Alabama 0.8%

| | | |
|--|-----|---------|
| Alabama Special Care Facilities Financing Authority- Birmingham, Refunding RB, Ascension Health Senior Credit, Series C-2, 5.00%, 11/15/36 | 760 | 782,021 |
|--|-----|---------|

Municipal Bonds Transferred to

Tender Option Bond Trusts (h)

Par

(000)

Value

California 2.4%

| | | |
|--|--------|------------|
| California Educational Facilities Authority, RB, University of Southern California, Series A, 5.25%, 10/01/39 | \$ 855 | \$ 925,717 |
| Los Angeles Community College District California, GO, Election of 2001, Series A (AGM), 5.00%, 8/01/32 | 740 | 776,238 |
| San Diego Community College District California, GO, Election of 2002, 5.25%, 8/01/33 | 553 | 600,185 |
| | | 2,302,140 |

Colorado 2.1%

| | | |
|--|-------|-----------|
| Colorado Health Facilities Authority, RB, Catholic Health (AGM): Series C-3, 5.10%, 10/01/41 | 1,210 | 1,244,146 |
| Series C-7, 5.00%, 9/01/36 | 780 | 801,606 |

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| | | |
|--|-------|------------|
| | | 2,045,752 |
| Connecticut 3.4% | | |
| Connecticut State Health & Educational Facility Authority, RB, Yale University: | | |
| Series T-1, 4.70%, 7/01/29 | 1,580 | 1,696,351 |
| Series X-3, 4.85%, 7/01/37 | 1,540 | 1,625,147 |
| | | 3,321,498 |
| Illinois 1.5% | | |
| Chicago Housing Authority, Refunding RB (AGM), 5.00%, 7/01/24 | | |
| | 1,424 | 1,508,649 |
| Massachusetts 2.1% | | |
| Massachusetts Water Resources Authority, Refunding RB, General, Series A, 5.00%, 8/01/41 | | |
| | 1,980 | 2,074,545 |
| New Hampshire 0.7% | | |
| New Hampshire Health & Education Facilities Authority, Refunding RB, Dartmouth College, 5.25%, 6/01/39 | | |
| | 645 | 708,674 |
| New York 3.4% | | |
| New York City Municipal Water Finance Authority, RB, Series FF-2, 5.50%, 6/15/40 | | |
| | 510 | 575,506 |
| New York State Dormitory Authority, ERB, Series F, 5.00%, 3/15/35 | | |
| | 2,685 | 2,804,650 |
| | | 3,380,156 |
| Tennessee 1.4% | | |
| Shelby County Health Educational & Housing Facilities Board, Refunding RB, St. Jude s Children s Research Hospital, 5.00%, 7/01/31 | | |
| | 1,280 | 1,339,021 |
| Texas 2.3% | | |
| County of Harris Texas, RB, Senior Lien, Toll Road, Series A, 5.00%, 8/15/38 | | |
| | 2,140 | 2,247,000 |
| Virginia 2.0% | | |
| University of Virginia, Refunding RB, General, 5.00%, 6/01/40 | | |
| | 1,790 | 1,919,417 |
| Washington 3.5% | | |
| Central Puget Sound Regional Transit Authority, RB, Series A (AGM), 5.00%, 11/01/32 | | |
| | 900 | 949,265 |
| State of Washington, GO, Various Purpose, Series E, 5.00%, 2/01/34 | | |
| | 2,400 | 2,559,744 |
| | | 3,509,009 |
| Total Municipal Bonds Transferred to | | |
| Tender Option Bond Trusts 25.6% | | |
| | | 25,137,882 |
| Total Long-Term Investments | | |

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(Cost \$143,510,151) 150.3%

147,349,757

See Notes to Financial Statements.

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Schedule of Investments (concluded)

BlackRock Strategic Municipal Trust (BSD)

| Short-Term Securities | Shares | Value |
|---|-----------|---------------|
| FFI Institutional Tax-Exempt Fund, 0.14% (i)(j) | 4,045,553 | \$ 4,045,553 |
| Total Short-Term Securities | | |
| (Cost \$4,045,553) 4.1% | | 4,045,553 |
| Total Investments (Cost \$147,555,704*) 154.4% | | 151,395,310 |
| Other Assets Less Liabilities 3.2% | | 3,176,247 |
| Liability for Trust Certificates, Including Interest | | |
| Expense and Fees Payable (13.8)% | | (13,556,405) |
| Preferred Shares, at Redemption Value (43.8)% | | (42,977,006) |
| Net Assets Applicable to Common Shares 100.0% | | \$ 98,038,146 |

* The cost and unrealized appreciation (depreciation) of investments as of October 31, 2010, as computed for federal income tax purposes, were as follows:

| | |
|-------------------------------|---------------|
| Aggregate cost | \$133,669,983 |
| Gross unrealized appreciation | \$ 6,708,299 |
| Gross unrealized depreciation | (2,529,137) |
| Net unrealized appreciation | \$ 4,179,162 |

(a) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.

(b) US government securities, held in escrow, are used to pay interest on this security as well as to retire the bond in full at the date indicated, typically at a premium to par.

(c) Issuer filed for bankruptcy and/or is in default of interest payments.

(d) Non-income producing security.

(e) Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration to qualified institutional investors.

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

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

(h) Securities represent bonds transferred to a tender option bond trust in exchange for which the Trust acquired residual interest certificates. These securities serve as collateral in a financing transaction. See Note 1 of the Notes to Financial Statements for details of municipal bonds transferred to tender option bond trusts.

(i) Investments in companies considered to be an affiliate of the Trust during the period, for purposes of Section 2(a)(3) of the Investment Company Act of 1940,

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as amended, were as follows:

| Affiliate | Shares Held at | Net Activity | Shares Held at | Income |
|-------------------|----------------|--------------|------------------|---------|
| | April 30, 2010 | | October 31, 2010 | |
| FFI Institutional | | | | |
| Tax-Exempt Fund | 1,940,417 | 2,105,136 | 4,045,553 | \$1,455 |

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

Fair Value Measurements Various inputs are used in determining the fair value of investments, which are as follows:

Level 1 price quotations in active markets/exchanges for identical assets and liabilities

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

Level 3 unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available (including the Trust's own assumptions used in determining the fair value of investments)
The inputs or methodologies used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. For information about the Trust's policy regarding valuation of investments and other significant accounting policies, please refer to Note 1 of the Notes to Financial Statements. The following table summarizes the inputs used as of October 31, 2010 in determining the fair valuation of the Trust's investments:

| Valuation Inputs | Level 1 | Level 2 | Level 3 | Total |
|----------------------------|---------------------|----------------------|---------|----------------------|
| Assets: | | | | |
| Investments in Securities: | | | | |
| Long-Term | | | | |
| Investments ¹ | | \$147,349,757 | | \$147,349,757 |
| Short-Term | | | | |
| Securities | \$ 4,045,553 | | | 4,045,553 |
| Total | \$ 4,045,553 | \$147,349,757 | | \$151,395,310 |

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

See Notes to Financial Statements.

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Statements of Assets and Liabilities

| | BlackRock Investment Quality Municipal Trust Inc. | BlackRock Long-Term Municipal Advantage Trust | BlackRock Municipal 2020 Term Trust | BlackRock Municipal Income Trust | BlackRock Pennsylvania Strategic Municipal Trust | BlackRock Strategic Municipal Trust |
|--|---|---|--|--|--|--|
| October 31, 2010 (Unaudited) | (BKN) | (BTA) | (BKK) | (BFK) | (BPS) | (BSD) |
| Assets | | | | | | |
| | | | \$ | | | \$ |
| Investments at value unaffiliated ¹ | \$ 381,222,655 | 241,268,600 | \$ 461,109,356 | \$ 938,329,017 | \$ 47,865,742 | 147,349,757 |
| Investments at value affiliated ² | 1,875,347 | 83,302 | 17,645,074 | 2,847,544 | 1,405,525 | 4,045,553 |
| Cash | | | | 111,591 | | |
| Investments sold receivable | 5,749,854 | 495,957 | 550,000 | 630,000 | 254,484 | 1,474,191 |
| Interest receivable | 5,387,646 | 4,181,024 | 7,395,877 | 14,838,330 | 763,199 | 2,337,379 |
| Income receivable affiliated | 186 | 42 | 205 | 687 | 63 | 92 |
| Prepaid expenses | 42,935 | 35,073 | 56,404 | 120,780 | 4,311 | 26,073 |
| Other assets | 48,624 | 11,135 | 37,714 | 185,758 | 4,032 | 7,902 |
| Total assets | 394,327,247 | 246,075,133 | 486,794,630 | 957,063,707 | 50,297,356 | 155,240,947 |
| Accrued Liabilities | | | | | | |
| Bank overdraft | | | | | | 1,057 |
| Investments purchased payable | 10,552,507 | | | | 604,068 | |
| Income dividends payable Common Shares | 1,429,721 | 815,216 | 1,259,730 | 3,493,193 | 148,823 | 528,700 |
| Investment advisory fees payable | 113,955 | 79,605 | 206,394 | 486,432 | 25,108 | 78,995 |
| Officers and Trustees fees payable | 50,390 | 13,179 | 39,946 | 186,874 | 5,589 | 10,509 |
| Administration fees payable | 48,864 | | | | | |
| Interest expense and fees payable | 10,834 | 319,411 | 6,238 | 59,604 | 3,421 | 10,240 |
| Other affiliates payable | | 1,505 | 2,987 | 5,885 | 296 | 952 |
| Other accrued expenses payable | 96,169 | 61,081 | 78,358 | 158,500 | 51,427 | 49,177 |
| Total accrued liabilities | 12,302,440 | 1,289,997 | 1,593,653 | 4,390,488 | 838,732 | 679,630 |
| Other Liabilities | | | | | | |
| Trust certificates ³ | 13,137,401 | 89,265,331 | 3,750,000 | 75,182,147 | 4,124,755 | 13,546,165 |
| Total Liabilities | 25,439,841 | 90,555,328 | 5,343,653 | 79,572,635 | 4,963,487 | 14,225,795 |
| Preferred Shares at Redemption Value | | | | | | |
| \$25,000 per share liquidation preference, plus | | | | | | |
| unpaid dividends ^{4,5,6} | 125,957,626 | | 173,861,828 | 270,891,235 | 16,325,762 | 42,977,006 |
| Net Assets Applicable to Common Shareholders | \$ 242,929,780 | 155,519,805 | \$ 307,589,149 | \$ 606,599,837 | \$ 29,008,107 | \$ 98,038,146 |
| Net Assets Applicable to Common Shareholders Consist of | | | | | | |
| | | | \$ | | | \$ |
| Paid-in capital ^{6,7,8} | \$ 236,520,203 | 191,010,106 | \$ 287,184,576 | \$ 630,935,634 | \$ 28,506,203 | 103,397,951 |

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| | | | | | | |
|--|----------------|--------------|----------------|----------------|---------------|---------------|
| Undistributed net investment income | 4,585,778 | 2,576,829 | 13,240,229 | 11,333,041 | 668,574 | 1,698,568 |
| Accumulated net realized loss | (9,965,268) | (34,948,874) | (2,782,947) | (47,146,633) | (1,795,508) | (10,897,979) |
| Net unrealized appreciation/depreciation | 11,789,067 | (3,118,256) | 9,947,291 | 11,477,795 | 1,628,838 | 3,839,606 |
| Net Assets Applicable to Common Shareholders | | | \$ | | | |
| | \$ 242,929,780 | 155,519,805 | \$ 307,589,149 | \$ 606,599,837 | \$ 29,008,107 | \$ 98,038,146 |
| Net asset value per Common Share. | \$ 14.27 | \$ 11.64 | \$ 15.20 | \$ 13.65 | \$ 14.33 | \$ 13.44 |
| | | | \$ | | | \$ |
| ¹ Investments at cost unaffiliated | \$ 369,433,588 | 244,386,856 | \$ 451,162,065 | \$ 926,851,222 | \$ 46,236,904 | 143,510,151 |
| ² Investments at cost affiliated | \$ 1,875,347 | \$ 83,302 | \$ 17,645,074 | \$ 2,847,544 | \$ 1,405,525 | \$ 4,045,553 |
| ³ Represents short-term floating rate certificates issued by tender option bond trusts. | | | | | | |
| ⁴ Preferred Shares outstanding | 5,038 | | 6,954 | 10,835 | 653 | 1,719 |
| ⁵ Preferred Shares authorized | 5,862 | | Unlimited | Unlimited | Unlimited | Unlimited |
| ⁶ Par value per Preferred and Common Share | \$ 0.01 | \$ 0.001 | \$ 0.001 | \$ 0.001 | \$ 0.001 | \$ 0.001 |
| ⁷ Common Shares outstanding | 17,020,493 | 13,364,199 | 20,236,628 | 44,442,665 | 2,024,800 | 7,292,415 |
| ⁸ Common Shares authorized | 200 Million | Unlimited | Unlimited | Unlimited | Unlimited | Unlimited |

See Notes to Financial Statements.

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Statements of Operations

| | BlackRock Investment Quality Municipal Trust Inc. | BlackRock Long-Term Municipal Advantage Trust | BlackRock Municipal 2020 Term Trust | BlackRock Municipal Income Trust | BlackRock Pennsylvania Strategic Municipal Trust | BlackRock Strategic Municipal Trust |
|--|---|---|--|--|--|--|
| Six Months Ended October 31, 2010 (Unaudited) | (BKN) | (BTA) | (BKK) | (BFK) | (BPS) | (BSD) |
| Investment Income | | | | | | |
| Interest | \$ 10,131,320 | \$ 6,107,171 | \$ 12,327,992 | \$ 25,868,446 | \$ 1,194,818 | \$ 4,047,504 |
| Income affiliated | 5,736 | 1,470 | 5,296 | 12,081 | 152 | 1,747 |
| Total income | 10,137,056 | 6,108,641 | 12,333,288 | 25,880,527 | 1,194,970 | 4,049,251 |
| Expenses | | | | | | |
| Investment advisory | 657,306 | 762,679 | 1,196,502 | 2,822,616 | 144,643 | 457,588 |
| Administration | 281,703 | | | | | |
| Commissions for Preferred Shares | 92,665 | | 129,138 | 179,263 | 13,325 | 28,148 |
| Accounting services | 30,510 | 12,503 | 31,728 | 47,798 | 7,702 | 15,741 |
| Professional | 28,140 | 22,784 | 28,875 | 44,557 | 20,973 | 25,149 |
| Printing | 22,316 | 12,711 | 30,286 | 58,607 | 5,965 | 11,143 |
| Transfer agent | 14,920 | 5,915 | 15,613 | 22,648 | 13,416 | 11,885 |
| Custodian | 12,601 | 8,538 | 14,014 | 23,593 | 4,867 | 6,196 |
| Officer and Trustees | 11,673 | 8,903 | 17,400 | 37,701 | 2,124 | 4,939 |
| Registration | 4,793 | 4,768 | 4,609 | 8,155 | 629 | 4,680 |
| Miscellaneous | 40,317 | 24,702 | 42,049 | 73,559 | 6,424 | 24,256 |
| Total expenses excluding interest expense and fees | 1,196,944 | 863,503 | 1,510,214 | 3,318,497 | 220,068 | 589,725 |
| Interest expense and fees ¹ | 46,531 | 479,472 | 12,882 | 281,639 | 14,796 | 50,903 |
| Total expenses | 1,243,475 | 1,342,975 | 1,523,096 | 3,600,136 | 234,864 | 640,628 |
| Less fees waived by advisor | (885) | (305,299) | (964) | (116,921) | (1,749) | (350) |
| Total expenses after fees waived | 1,242,590 | 1,037,676 | 1,522,132 | 3,483,215 | 233,115 | 640,278 |
| Net investment income | 8,894,466 | 5,070,965 | 10,811,156 | 22,397,312 | 961,855 | 3,408,973 |
| Realized and Unrealized Gain (Loss) | | | | | | |
| Net realized gain (loss) from: | | | | | | |
| Investments | 2,835,865 | (121,029) | (1,087,631) | 491,738 | 32,566 | (375,142) |
| Financial futures contracts | (79,167) | (72,294) | | (458,914) | (21,030) | (71,021) |
| | 2,756,698 | (193,323) | (1,087,631) | 32,824 | 11,536 | (446,163) |
| Net change in unrealized appreciation/depreciation | | | | | | |
| on investments | 7,180,888 | 4,870,995 | 12,242,570 | 17,556,730 | 891,413 | 3,559,948 |
| Total realized and unrealized gain | 9,937,586 | 4,677,672 | 11,154,939 | 17,589,554 | 902,949 | 3,113,785 |

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Dividends to Preferred Shareholders
From

| | | | | | | |
|--|---------------|--------------|---------------|---------------|--------------|--------------|
| Net investment income | (261,072) | | (367,179) | (571,440) | (34,677) | (91,286) |
| Net Increase in Net Assets Applicable to Common | | | | | | |
| Shareholders Resulting from Operations | \$ 18,570,980 | \$ 9,748,637 | \$ 21,598,916 | \$ 39,415,426 | \$ 1,830,127 | \$ 6,431,472 |

¹ Related to tender option bond trusts.

See Notes to Financial Statements.

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| | | | | |
|--|---------------|----------------|---------------|---------------|
| Net investment income | (7,558,381) | (15,116,761) | (20,946,438) | (41,349,932) |
| Capital Share Transactions | | | | |
| Reinvestment of common dividends | | | 881,257 | 1,861,576 |
| Net Assets Applicable to Common Shareholders | | | | |
| Total increase in net assets applicable to Common Shareholders | 14,040,535 | 49,977,458 | 19,350,245 | 112,436,055 |
| Beginning of period | 293,548,614 | 243,571,156 | 587,249,592 | 474,813,537 |
| | | | | \$ |
| End of period | \$307,589,149 | \$ 293,548,614 | \$606,599,837 | 587,249,592 |
| Undistributed net investment income | \$ 13,240,229 | \$ 10,354,633 | \$ 11,333,041 | \$ 10,453,607 |

See Notes to Financial Statements.

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Statements of Changes in Net Assets (concluded)

| | BlackRock Pennsylvania Strategic Municipal Trust (BPS) | | BlackRock Strategic Municipal Trust (BSD) | |
|--|---|------------------------------------|---|------------------------------------|
| | Six Months Ended October 31, 2010 (Unaudited) | Year Ended April 30, 2010 | Six Months Ended October 31, 2010 (Unaudited) | Year Ended April 30, 2010 |
| Increase (Decrease) in Net Assets Applicable to Common Shareholders: | | | | |
| Operations | | | | |
| Net investment income | \$ 961,855 | \$ 1,860,231 | \$ 3,408,973 | \$ 7,023,486 |
| Net realized gain (loss) | 11,536 | (241,650) | (446,163) | (4,257,032) |
| Net change in unrealized appreciation/depreciation | 891,413 | 3,925,374 | 3,559,948 | 18,437,955 |
| Dividends to Preferred Shareholders from net investment income | (34,677) | (73,835) | (91,286) | (198,039) |
| Net increase in net assets applicable to Common Shareholders resulting from operations | 1,830,127 | 5,470,120 | 6,431,472 | 21,006,370 |
| Dividends to Common Shareholders From | | | | |
| Net investment income | (879,493) | (1,454,867) | (3,171,403) | (6,104,489) |
| Capital Share Transactions | | | | |
| Reinvestment of common dividends | 19,108 | | 41,845 | 14,173 |
| Net Assets Applicable to Common Shareholders | | | | |
| Total increase in net assets applicable to Common Shareholders | 969,742 | 4,015,253 | 3,301,914 | 14,916,054 |
| Beginning of period | 28,038,365 | 24,023,112 | 94,736,232 | 79,820,178 |
| End of period | \$ 29,008,107 | \$ 28,038,365 | \$ 98,038,146 | 94,736,232 |
| Undistributed net investment income | \$ 668,574 | \$ 620,889 | \$ 1,698,568 | \$ 1,552,284 |

See Notes to Financial Statements.

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**BlackRock Long-Term Municipal Advantage Trust
(BTA)**

Statement of Cash Flows

Six Months Ended October 31, 2010 (Unaudited)

Cash Provided by Operating Activities

| | |
|--|--------------|
| Net increase in net assets resulting from operations | \$ 9,748,637 |
| Adjustments to reconcile net increase in net assets resulting from operations to net cash used for operating activities: | |
| Increase in interest receivable | (13,585) |
| Increase in other assets | (250) |
| Increase in investment advisor payable | 1,516 |
| Increase in interest expense payable | 19,768 |
| Increase in other affiliates payable | 63 |
| Decrease in accrued expenses payable | (14,484) |
| Increase in officers and trustees fees payable | 649 |
| Net realized and unrealized loss | (4,749,714) |
| Amortization of premium and accretion of discount on investments | 247,231 |
| Proceeds from sales and paydowns of long-term investments | 18,333,215 |
| Purchases of long-term investments | (23,218,997) |
| Net proceeds from sales of short-term securities | 1,035,507 |
| Cash provided by operating activities | 1,389,556 |

Cash Used for Financing Activities

| | |
|--|-------------|
| Cash receipts from trust certificates | 3,185,331 |
| Cash payments from trust certificates | (10,000) |
| Cash dividends paid to Common Shareholders | (4,564,887) |
| Cash used for financing activities | (1,389,556) |

Cash

| | |
|-----------------------------|--|
| Net increase in cash | |
| Cash at beginning of period | |
| Cash at end of period | |

Cash Flow Information

| | |
|------------------------|------------|
| Cash paid for interest | \$ 459,704 |
|------------------------|------------|

Noncash Financing Activities

| | |
|--|------------|
| Capital shares issued in reinvestment of dividends paid to Common Shareholders | \$ 220,528 |
|--|------------|

A Statement of Cash Flows is presented when a Trust had a significant amount of borrowing during the period based on the average borrowing outstanding in relation to total assets.

See Notes to Financial Statements.

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BlackRock Investment Quality Municipal
Trust Inc. (BKN)

Financial Highlights

| | Six Months Ended October 31, 2010 (Unaudited) | Year Ended April 30, 2010 | Period November 1, 2008 to April 30, 2009 | 2008 | 2007 | Year Ended October 31, 2006 | 2005 |
|---|---|------------------------------------|--|-------------------|------------|-----------------------------------|------------|
| Per Share Operating Performance | | | | | | | |
| Net asset value, beginning of period | \$ 13.68 | \$ 11.63 | \$ 10.64 | \$ 14.73 | \$ 15.79 | \$ 15.59 | \$ 15.71 |
| Net investment income | 0.52 ¹ | 1.07 ¹ | 0.50 ¹ | 1.08 ¹ | 1.08 | 1.10 | 1.14 |
| Net realized and unrealized gain (loss) | 0.59 | 1.96 | 0.94 | (3.97) | (0.79) | 0.44 | (0.11) |
| Dividends to Preferred Shareholders from net investment income | (0.02) | (0.03) | (0.05) | (0.31) | (0.32) | (0.28) | (0.19) |
| Net increase (decrease) from investment operations | 1.09 | 3.00 | 1.39 | (3.20) | (0.03) | 1.26 | 0.84 |
| Dividends to Common Shareholders from net investment income | (0.50) | (0.95) | (0.40) | (0.89) | (1.03) | (1.06) | (0.96) |
| Net asset value, end of period | \$ 14.27 | \$ 13.68 | \$ 11.63 | \$ 10.64 | \$ 14.73 | \$ 15.79 | \$ 15.59 |
| Market price, end of period | \$ 14.97 | \$ 14.19 | \$ 11.35 | \$ 10.25 | \$ 16.35 | \$ 18.97 | \$ 16.62 |
| Total Investment Return² | | | | | | | |
| Based on net asset value | 8.11% ³ | 26.55% | 13.63% ³ | (22.93)% | (0.95)% | 7.38% | 5.34% |
| Based on market price | 9.33% ³ | 34.50% | 15.12% ³ | (33.11)% | (8.49)% | 21.06% | 16.68% |
| Ratios to Average Net Assets Applicable to Common Shareholders | | | | | | | |
| Total expenses ⁴ | 1.05% ⁵ | 1.10% | 1.29% ⁵ | 1.19% | 1.08% | 1.09% | 1.08% |
| Total expenses after fees waived and before fees paid indirectly ⁴ | 1.05% ⁵ | 1.10% | 1.28% ⁵ | 1.19% | 1.07% | 1.09% | 1.08% |
| Total expenses after fees waived and paid indirectly ⁴ | 1.05% ⁵ | 1.10% | 1.28% ⁵ | 1.17% | 1.07% | 1.09% | 1.08% |
| Total expenses after fees waived and paid indirectly and excluding interest expense and fees ^{4,6} | 1.01% ⁵ | 1.06% | 1.20% ⁵ | 1.07% | 1.07% | 1.09% | 1.08% |
| Net investment income ⁴ | 7.50% ⁵ | 8.29% | 9.53% ⁵ | 7.84% | 7.06% | 7.09% | 7.21% |
| Dividends to Preferred Shareholders | 0.22% ⁵ | 0.26% | 0.87% ⁵ | 2.28% | 2.07% | 1.81% | 1.17% |
| Net investment income to Common Shareholders | 7.28% ⁵ | 8.03% | 8.66% ⁵ | 5.56% | 4.99% | 5.28% | 6.04% |
| Supplemental Data | | | | | | | |
| Net assets applicable to Common Shareholders, end of period (000) | \$ 242,930 | \$ 232,471 | \$ 196,811 | \$ 180,188 | \$ 247,272 | \$ 263,878 | \$ 260,494 |
| Preferred Shares outstanding at \$25,000 | | | | | | | |

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liquidation

| | | | | | | | |
|---------------------------------|------------|------------|------------|------------|------------|------------|------------|
| preference, end of period (000) | \$ 125,950 | \$ 125,950 | \$ 126,950 | \$ 126,950 | \$ 146,550 | \$ 146,550 | \$ 146,550 |
|---------------------------------|------------|------------|------------|------------|------------|------------|------------|

| | | | | | | | |
|--------------------|-----|-----|-----|-----|-----|-----|-----|
| Portfolio turnover | 22% | 43% | 26% | 26% | 17% | 82% | 77% |
|--------------------|-----|-----|-----|-----|-----|-----|-----|

Asset coverage per Preferred Share at \$25,000

liquidation

| | | | | | | | |
|---------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| preference, end of period | \$ 73,221 | \$ 71,147 | \$ 63,762 | \$ 60,495 | \$ 67,185 | \$ 70,054 | \$ 69,465 |
|---------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|

¹ Based on average shares outstanding.

² Total investment returns based on market price, which can be significantly greater or lesser than the net asset value, may result in substantially different returns. Where applicable,

total investment returns exclude the effects of any sales charges and include the reinvestment of dividends and distributions.

³ Aggregate total investment return.

⁴ Do not reflect the effect of dividends to Preferred Shareholders.

⁵ Annualized.

⁶ Interest expense and fees related to tender option bond trusts. See Note 1 of the Notes to Financial Statements for details of municipal bonds transferred to tender option bond trusts.

See Notes to Financial Statements.

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OCTOBER 31, 2010

Financial Highlights

BlackRock Long-Term Municipal
Advantage Trust (BTA)

| | Six Months Ended October 31, 2010 (Unaudited) | Year Ended April 30, 2010 | Period November 1, 2008 to April 30, 2009 | Year Ended October 31, 2008 | Year Ended October 31, 2007 | Period February 28, 2006 ¹ to October 31, 2006 |
|---|---|------------------------------------|--|-----------------------------------|-----------------------------------|---|
| Per Share Operating Performance | | | | | | |
| Net asset value, beginning of period | \$ 11.27 | \$ 9.52 | \$ 8.57 | \$ 13.72 | \$ 14.89 | \$ 14.33 ² |
| Net investment income | 0.38 ³ | 0.75 ³ | 0.34 ³ | 0.81 ³ | 0.70 | 0.45 |
| Net realized and unrealized gain (loss) | 0.35 | 1.69 | 0.94 | (5.30) | (1.15) | 0.62 |
| Net increase (decrease) from investment operations | 0.73 | 2.44 | 1.28 | (4.49) | (0.45) | 1.07 |
| Dividends from net investment income | (0.36) | (0.69) | (0.33) | (0.66) | (0.72) | (0.48) |
| Capital charges with respect to issuance of Common Shares | | | | | | (0.03) |
| Net asset value, end of period | \$ 11.64 | \$ 11.27 | \$ 9.52 | \$ 8.57 | \$ 13.72 | \$ 14.89 |
| Market price, end of period | \$ 11.45 | \$ 10.77 | \$ 8.79 | \$ 8.40 | \$ 12.14 | \$ 14.70 |
| Total Investment Return⁴ | | | | | | |
| Based on net asset value | 6.61% ⁵ | 26.81% | 15.78% ⁵ | (33.64)% | (2.93)% | 7.48% ⁵ |
| Based on market price | 9.74% ⁵ | 31.25% | 9.06% ⁵ | (26.49)% | (13.00)% | 1.40% ⁵ |
| Ratios to Average Net Assets Applicable to Common Shareholders | | | | | | |
| Total expenses | 1.76% ⁶ | 1.80% | 2.95% ⁶ | 4.00% | 4.69% | 4.55% ⁶ |
| Total expenses after fees waived and before fees paid indirectly | 1.36% ⁶ | 1.40% | 2.55% ⁶ | 3.60% | 4.29% | 4.14% ⁶ |
| Total expenses after fees waived and paid indirectly | 1.36% ⁶ | 1.40% | 2.55% ⁶ | 3.60% | 4.29% | 4.11% ⁶ |
| Total expenses after fees waived and paid indirectly and excluding interest expense and fees ⁷ | 0.73% ⁶ | 0.75% | 0.82% ⁶ | 0.83% | 0.89% | 0.97% ⁶ |
| Net investment income | 6.65% ⁶ | 7.07% | 7.88% ⁶ | 6.56% | 4.87% | 4.79% ⁶ |
| Supplemental Data | | | | | | |
| Net assets, end of period (000) | \$ 155,520 | \$ 150,357 | \$ 127,079 | \$ 114,382 | \$ 183,161 | \$ 198,137 |
| Portfolio turnover | 10% | 30% | 15% | 16% | 39% | 20% |

¹ Commencement of operations.

² Net asset value, beginning of period, reflects a deduction of \$0.675 per sales charge from the initial offering price of \$15.00 per share.

³ Based on average shares outstanding.

⁴ Total investment returns based on market price, which can be significantly greater or lesser than the net asset value, may result in substantially different returns. Where applicable, total investment returns exclude the effects of any sales charges and include the reinvestment of dividends and distributions.

⁵ Aggregate total investment return.

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⁶ Annualized.

⁷ Interest expense and fees related to tender option bond trusts. See Note 1 of the Notes to Financial Statements for details of municipal bonds transferred to tender option bond trusts.

See Notes to Financial Statements.

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BlackRock Municipal 2020 Term Trust
(BKK)

Financial Highlights

| | Six Months Ended October 31, | Year Ended April 30, | Period January 1, 2009 to April 30, | Year Ended December 31, | Year Ended December 31, | Year Ended December 31, | Year Ended December 31, |
|---|------------------------------------|----------------------------|---|----------------------------|----------------------------|----------------------------|----------------------------|
| | 2010 (Unaudited) | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 |
| Per Share Operating Performance | | | | | | | |
| Net asset value, beginning of period | \$ 14.51 | \$ 12.04 | \$ 10.55 | \$ 14.79 | \$ 15.77 | \$ 15.28 | \$ 14.85 |
| Net investment income | 0.53 ¹ | 1.10 ¹ | 0.35 ¹ | 1.09 ¹ | 1.12 | 1.10 | 1.11 |
| Net realized and unrealized gain (loss) | 0.55 | 2.16 | 1.41 | (4.28) | (0.97) | 0.48 | 0.39 |
| Dividends to Preferred Shareholders from net investment income | (0.02) | (0.04) | (0.02) | (0.30) | (0.33) | (0.29) | (0.20) |
| Net increase (decrease) from investment operations | 1.06 | 3.22 | 1.74 | (3.49) | (0.18) | 1.29 | 1.30 |
| Dividends to Common Shareholders from net investment income | (0.37) | (0.75) | (0.25) | (0.75) | (0.80) | (0.80) | (0.87) |
| Net asset value, end of period | \$ 15.20 | \$ 14.51 | \$ 12.04 | \$ 10.55 | \$ 14.79 | \$ 15.77 | \$ 15.28 |
| Market price, end of period | \$ 15.38 | \$ 14.89 | \$ 12.70 | \$ 10.57 | \$ 13.60 | \$ 15.77 | \$ 14.00 |
| Total Investment Return² | | | | | | | |
| Based on net asset value | 7.35% ³ | 26.97% | 16.39% ³ | (24.57)% | (1.16)% | 8.72% | 8.98% |
| Based on market price | 5.85% ³ | 23.52% | 22.54% ³ | (17.81)% | (9.11)% | 18.66% | (1.28)% |
| Ratios to Average Net Assets Applicable to Common Shareholders | | | | | | | |
| Total expenses ⁴ | 1.01% ⁵ | 1.06% | 1.23% ⁵ | 1.12% | 1.06% | 1.07% | 1.09% |
| Total expenses after fees waived and paid indirectly ⁴ | 1.01% ⁵ | 1.06% | 1.23% ⁵ | 1.12% | 1.05% | 1.07% | 1.08% |
| Total expenses after fees waived and paid indirectly and excluding interest expense and fees ^{4,6} | 1.00% ⁵ | 1.05% | 1.21% ⁵ | 1.10% | 1.05% | 1.07% | 1.08% |
| Net investment income ⁴ | 7.17% ⁵ | 8.08% | 9.28% ⁵ | 8.01% | 7.27% | 7.09% | 7.27% |
| Dividends to Preferred Shareholders | 0.24% ⁵ | 0.28% | 0.59% ⁵ | 2.18% | 2.14% | 1.89% | 1.34% |
| Net investment income to Common Shareholders | 6.93% ⁵ | 7.80% | 8.69% ⁵ | 5.83% | 5.13% | 5.20% | 5.93% |
| Supplemental Data | | | | | | | |
| Net assets applicable to Common Shareholders, end of period (000) | \$ 307,589 | \$ 293,549 | \$ 243,571 | \$ 213,472 | \$ 299,372 | \$ 319,131 | \$ 309,146 |
| Preferred Shares outstanding at \$25,000 liquidation preference, end of period (000) | \$ 173,850 | \$ 173,850 | \$ 173,850 | \$ 173,850 | \$ 177,600 | \$ 177,600 | \$ 177,600 |
| Portfolio turnover | 4% | 6% | 1% | 5% | 4% | 12% | 14% |

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Asset coverage per Preferred Share at \$25,000
liquidation

| | | | | | | | |
|---------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| preference, end of period | \$ 69,234 | \$ 67,215 | \$ 60,027 | \$ 55,703 | \$ 67,154 | \$ 69,937 | \$ 68,527 |
|---------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|

¹ Based on average shares outstanding.

² Total investment returns based on market price, which can be significantly greater or lesser than the net asset value, may result in substantially different returns. Where applicable, total investment returns exclude the effects of any sales charges and include the reinvestment of dividends and distributions.

³ Aggregate total investment return.

⁴ Do not reflect the effect of dividends to Preferred Shareholders.

⁵ Annualized.

⁶ Interest expense and fees related to tender option bond trusts. See Note 1 of the Notes to Financial Statements for details of municipal bonds transferred to tender option bond trusts.

See Notes to Financial Statements.

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Financial Highlights

BlackRock Municipal Income
Trust (BFK)

| | Six Months Ended October 31, 2010 (Unaudited) | Year Ended April 30, 2010 | Period November 1, 2008 to April 30, 2009 | 2008 | Year Ended October 31, 2007, 2006, 2005 | | |
|---|---|------------------------------------|--|-------------------|---|----------|----------|
| Per Share Operating Performance | | | | | | | |
| Net asset value, beginning of period | \$ 13.23 | \$ 10.74 | \$ 10.08 | \$ 14.55 | \$ 15.37 | \$ 14.71 | \$ 14.26 |
| Net investment income | 0.50 ¹ | 1.03 ¹ | 0.52 ¹ | 1.12 ¹ | 1.11 | 1.14 | 1.18 |
| Net realized and unrealized gain (loss) | 0.40 | 2.42 | 0.58 | (4.38) | (0.63) | 0.78 | 0.43 |
| Dividends and distributions to Preferred Shareholders from: | | | | | | | |
| Net investment income | (0.01) | (0.03) | (0.03) | (0.30) | (0.31) | (0.27) | (0.18) |
| Net realized gain | | | | | (0.00) ² | | |
| Net increase (decrease) from investment operations | 0.89 | 3.42 | 1.07 | (3.56) | 0.17 | 1.65 | 1.43 |
| Dividends and distributions to Common Shareholders from: | | | | | | | |
| Net investment income | (0.47) | (0.93) | (0.41) | (0.91) | (0.99) | (0.99) | (0.98) |
| Net realized gain | | | | | (0.00) ² | | |
| Total dividends and distributions to Common Shareholders | (0.47) | (0.93) | (0.41) | (0.91) | (0.99) | (0.99) | (0.98) |
| Net asset value, end of period | \$ 13.65 | \$ 13.23 | \$ 10.74 | \$ 10.08 | \$ 14.55 | \$ 15.37 | \$ 14.71 |
| Market price, end of period | \$ 14.05 | \$ 13.44 | \$ 11.10 | \$ 8.75 | \$ 15.92 | \$ 17.30 | \$ 15.69 |
| Total Investment Return³ | | | | | | | |
| Based on net asset value | 6.83% ⁴ | 32.75% | 11.15% ⁴ | (25.69)% | 0.70% | 11.24% | 10.21% |
| Based on market price | 8.25% ⁴ | 30.49% | 32.34% ⁴ | (41.05)% | (2.11)% | 17.39% | 19.31% |
| Ratios to Average Net Assets Applicable to Common Shareholders | | | | | | | |
| Total expenses ⁵ | 1.21% ⁶ | 1.26% | 1.44% ⁶ | 1.38% | 1.18% | 1.21% | 1.22% |
| Total expenses after fees waived and paid indirectly ⁵ | 1.17% ⁶ | 1.15% | 1.26% ⁶ | 1.15% | 0.88% | 0.83% | 0.83% |
| Total expenses after fees waived and paid indirectly and excluding interest expense and fees ^{5,7} | 1.08% ⁶ | 1.07% | 1.15% ⁶ | 0.98% | 0.88% | 0.83% | 0.83% |
| Net investment income ⁵ | 7.53% ⁶ | 8.37% | 10.48% ⁶ | 8.34% | 7.43% | 7.65% | 7.97% |
| Dividends to Preferred Shareholders | 0.19% ⁶ | 0.23% | 0.70% ⁶ | 2.19% | 2.04% | 1.83% | 1.23% |
| Net investment income to Common Shareholders | 7.34% ⁶ | 8.14% | 9.78% ⁶ | 6.15% | 5.39% | 5.82% | 6.74% |
| Supplemental Data | | | | | | | |
| Net assets applicable to Common Shareholders, | | | | | | | |

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| | | | | | | | |
|---|------------|------------|------------|------------|------------|------------|------------|
| end of period (000) | \$ 606,600 | \$ 587,250 | \$ 474,814 | \$ 445,289 | \$ 640,981 | \$ 674,080 | \$ 642,047 |
| Preferred Shares outstanding at \$25,000 liquidation | | | | | | | |
| preference, end of period (000) | \$ 270,875 | \$ 270,875 | \$ 293,125 | \$ 293,125 | \$ 375,125 | \$ 375,125 | \$ 375,125 |
| Portfolio turnover | 9% | 32% | 11% | 13% | 17% | 77% | 68% |
| Asset coverage per Preferred Share at \$25,000 liquidation | | | | | | | |
| preference, end of period | \$ 80,987 | \$ 79,201 | \$ 65,498 | \$ 62,989 | \$ 67,727 | \$ 69,933 | \$ 67,797 |

¹ Based on average shares outstanding.

² Amount is less than \$(0.01) per share.

³ Total investment returns based on market price, which can be significantly greater or lesser than the net asset value, may result in substantially different returns. Where applicable,

total investment returns exclude the effects of any sales charges and include the reinvestment of dividends and distributions.

⁴ Aggregate total investment return.

⁵ Do not reflect the effect of dividends to Preferred Shareholders.

⁶ Annualized.

⁷ Interest expense and fees related to tender option bond trusts. See Note 1 of the Notes to Financial Statements for details of municipal bonds transferred to tender option bond trusts.

See Notes to Financial Statements.

SEMI-ANNUAL REPORT

OCTOBER 31, 2010

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**BlackRock Pennsylvania Strategic
Municipal Trust (BPS)**
Financial Highlights

| | Six Months Ended October 31, 2010 (Unaudited) | Year Ended April 30, 2010 | Period January 1, 2009 to April 30, 2009 | 2008 | Year Ended December 31, | | | 2005 |
|---|---|------------------------------------|---|-------------------|----------------------------|-----------|-----------|------|
| | | | | | 2007 | 2006 | | |
| Per Share Operating Performance | | | | | | | | |
| Net asset value, beginning of period | \$ 13.86 | \$ 11.87 | \$ 10.77 | \$ 14.12 | \$ 15.01 | \$ 15.27 | \$ 15.81 | |
| Net investment income | 0.48 ¹ | 0.92 ¹ | 0.27 ¹ | 0.89 ¹ | 0.99 | 1.02 | 0.97 | |
| Net realized and unrealized gain (loss) | 0.45 | 1.83 | 1.03 | (3.36) | (0.74) | (0.09) | (0.42) | |
| Dividends to Preferred Shareholders from net investment income | (0.02) | (0.04) | (0.02) | (0.26) | (0.31) | (0.28) | (0.19) | |
| Net increase (decrease) from investment operations | 0.91 | 2.71 | 1.28 | (2.73) | (0.06) | 0.65 | 0.36 | |
| Dividends to Common Shareholders from net investment income | (0.44) | (0.72) | (0.18) | (0.62) | (0.83) | (0.91) | (0.90) | |
| Net asset value, end of period | \$ 14.33 | \$ 13.86 | \$ 11.87 | \$ 10.77 | \$ 14.12 | \$ 15.01 | \$ 15.27 | |
| Market price, end of period | \$ 14.50 | \$ 13.88 | \$ 9.85 | \$ 8.42 | \$ 13.55 | \$ 17.43 | \$ 15.85 | |
| Total Investment Return² | | | | | | | | |
| Based on net asset value | 6.63% ³ | 23.80% | 12.28% ³ | (19.63)% | (0.82)% | 4.09% | 2.39% | |
| Based on market price | 7.74% ³ | 49.41% | 19.18% ³ | (34.53)% | (18.04)% | 16.45% | 7.02% | |
| Ratios to Average Net Assets Applicable to Common Shareholders | | | | | | | | |
| Total expenses ⁴ | 1.65% ⁵ | 1.60% | 1.63% ⁵ | 1.61% | 1.55% | 1.51% | 1.52% | |
| Total expenses after fees waived and before fees paid indirectly ⁴ | 1.64% ⁵ | 1.59% | 1.61% ⁵ | 1.45% | 1.37% | 1.28% | 1.21% | |
| Total expenses after fees waived and paid indirectly ⁴ | 1.64% ⁵ | 1.59% | 1.61% ⁵ | 1.45% | 1.35% | 1.23% | 1.13% | |
| Total expenses after fees waived and paid indirectly and excluding interest expense and fees ^{4,6} | 1.53% ⁵ | 1.57% | 1.61% ⁵ | 1.42% | 1.35% | 1.23% | 1.13% | |
| Net investment income ⁴ | 6.75% ⁵ | 6.94% | 7.38% ⁵ | 6.82% | 6.82% | 6.73% | 6.28% | |
| Dividends to Preferred Shareholders | 0.24% ⁵ | 0.28% | 0.56% ⁵ | 2.17% | 2.10% | 1.85% | 1.22% | |
| Net investment income to Common Shareholders | 6.51% ⁵ | 6.66% | 6.82% ⁵ | 4.65% | 4.72% | 4.88% | 5.06% | |
| Supplemental Data | | | | | | | | |
| Net assets applicable to Common Shareholders, end of period (000) | \$ 29,008 | \$ 28,038 | \$ 24,023 | \$ 21,799 | \$ 28,560 | \$ 30,306 | \$ 30,801 | |
| Preferred Shares outstanding at \$25,000 | | | | | | | | |

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liquidation

| | | | | | | | |
|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| preference, end of period (000) | \$ 16,325 | \$ 16,325 | \$ 16,825 | \$ 16,825 | \$ 17,500 | \$ 17,500 | \$ 17,500 |
| Portfolio turnover | 13% | 19% | 8% | 45% | 41% | 7% | 8% |
| Asset coverage per Preferred Share at \$25,000 | | | | | | | |
| liquidation | | | | | | | |
| preference, end of period | \$ 69,424 | \$ 67,939 | \$ 60,696 | \$ 57,399 | \$ 65,817 | \$ 68,305 | \$ 69,008 |

¹ Based on average shares outstanding.

² Total investment returns based on market price, which can be significantly greater or lesser than the net asset value, may result in substantially different returns. Where applicable, total investment returns exclude the effects of any sales charges and include the reinvestment of dividends and distributions.

³ Aggregate total investment return.

⁴ Do not reflect the effect of dividends to Preferred Shareholders.

⁵ Annualized. Certain expenses incurred during the period January 1, 2009 to April 30, 2009 have been included in the ratio but not annualized. If these expenses were annualized,

the annualized ratio of total expenses, total expenses after fees waived and before fees paid indirectly, total expenses after fees waived and paid indirectly, total expenses after fees

waived and paid indirectly and excluding interest expense and fees, net investment income and net investment income to Common Shareholders would have been 1.91%, 1.89%,

1.89%, 1.89%, 7.09% and 6.53%, respectively.

⁶ Interest expense and fees related to tender option bond trusts. See Note 1 of the Notes to Financial Statements for details of municipal bonds transferred to tender option bond trusts.

See Notes to Financial Statements.

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Financial Highlights

BlackRock Strategic Municipal
Trust (BSD)

| | Six Months Ended October 31, 2010 (Unaudited) | Year Ended April 30, 2010 | Period January 1, 2009 to April 30, 2009 | 2008 | Year Ended December 31, 2007 2006 2005 | | |
|---|---|------------------------------------|---|-------------------|--|------------|------------|
| Per Share Operating Performance | | | | | | | |
| Net asset value, beginning of period | \$ 13.00 | \$ 10.95 | \$ 9.90 | \$ 14.27 | \$ 15.64 | \$ 15.68 | \$ 15.70 |
| Net investment income | 0.47 ¹ | 0.96 ¹ | 0.32 ¹ | 1.02 ¹ | 1.07 | 1.07 | 1.14 |
| Net realized and unrealized gain (loss) | 0.42 | 1.96 | 1.00 | (4.32) | (1.10) | 0.28 | 0.07 |
| Dividends to Preferred Shareholders from net investment income | (0.01) | (0.03) | (0.02) | (0.26) | (0.32) | (0.29) | (0.20) |
| Net increase (decrease) from investment operations | 0.88 | 2.89 | 1.30 | (3.56) | (0.35) | 1.06 | 1.01 |
| Dividends to Common Shareholders from net investment income | (0.44) | (0.84) | (0.25) | (0.81) | (1.02) | (1.10) | (1.03) |
| Net asset value, end of period | \$ 13.44 | \$ 13.00 | \$ 10.95 | \$ 9.90 | \$ 14.27 | \$ 15.64 | \$ 15.68 |
| Market price, end of period | \$ 13.47 | \$ 12.95 | \$ 10.15 | \$ 8.19 | \$ 13.96 | \$ 18.69 | \$ 17.14 |
| Total Investment Return² | | | | | | | |
| Based on net asset value | 6.83% ³ | 27.36% | 13.44% ³ | (25.70)% | (2.82)% | 6.38% | 6.67% |
| Based on market price | 7.48% ³ | 36.87% | 27.11% ³ | (37.17)% | (20.44)% | 16.29% | 26.08% |
| Ratios to Average Net Assets Applicable to Common Shareholders | | | | | | | |
| Total expenses ⁴ | 1.33% ⁵ | 1.36% | 1.49% ⁵ | 1.54% | 1.30% | 1.31% | 1.29% |
| Total expenses after fees waived and before fees paid indirectly ⁴ | 1.33% ⁵ | 1.36% | 1.48% ⁵ | 1.45% | 1.14% | 1.07% | 0.98% |
| Total expenses after fees waived and paid indirectly ⁴ | 1.33% ⁵ | 1.36% | 1.48% ⁵ | 1.45% | 1.13% | 1.04% | 0.97% |
| Total expenses after fees waived and paid indirectly and excluding interest expense and fees ^{4,6} | 1.23% ⁵ | 1.26% | 1.40% ⁵ | 1.23% | 1.13% | 1.04% | 0.97% |
| Net investment income ⁴ | 7.10% ⁵ | 7.91% | 9.48% ⁵ | 8.04% | 7.12% | 6.89% | 7.23% |
| Dividends to Preferred Shareholders | 0.19% ⁵ | 0.22% | 0.49% ⁵ | 2.02% | 2.12% | 1.83% | 1.26% |
| Net investment income to Common Shareholders | 6.91% ⁵ | 7.69% | 8.99% ⁵ | 6.02% | 5.00% | 5.06% | 5.97% |
| Supplemental Data | | | | | | | |
| Net assets applicable to Common Shareholders, end of period (000) | \$ 98,038 | \$ 94,736 | \$ 79,820 | \$ 72,188 | \$ 103,882 | \$ 113,697 | \$ 113,684 |
| Preferred Shares outstanding at \$25,000 | | | | | | | |

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liquidation

| | | | | | | | |
|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| preference, end of period (000) | \$ 42,975 | \$ 42,975 | \$ 47,750 | \$ 47,750 | \$ 62,000 | \$ 62,000 | \$ 62,000 |
| Portfolio turnover | 9% | 32% | 6% | 17% | 21% | 71% | 96% |
| Asset coverage per Preferred Share at \$25,000 | | | | | | | |
| liquidation | | | | | | | |
| preference, end of period | \$ 82,033 | \$ 80,113 | \$ 66,791 | \$ 62,803 | \$ 66,904 | \$ 78,856 | \$ 70,847 |

¹ Based on average shares outstanding.

² Total investment returns based on market price, which can be significantly greater or lesser than the net asset value, may result in substantially different returns. Where applicable, total investment returns exclude the effects of any sales charges and include the reinvestment of dividends and distributions.

³ Aggregate total investment return.

⁴ Do not reflect the effect of dividends to Preferred Shareholders.

⁵ Annualized. Certain expenses incurred during the period January 1, 2009 to April 30, 2009 have been included in the ratio but not annualized. If these expenses were annualized,

the annualized ratio of total expenses, total expenses after fees waived and before fees paid indirectly, total expenses after fees waived and paid indirectly, total expenses after fees

waived and paid indirectly and excluding interest expense and fees, net investment income and net investment income to Common Shareholders would have been 1.91%, 1.89%,

1.89%, 1.89%, 7.09% and 6.53%, respectively.

⁶ Interest expense and fees related to tender option bond trusts. See Note 1 of the Notes to Financial Statements for details of municipal bonds transferred to tender option bond trusts.

See Notes to Financial Statements.

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Notes to Financial Statements (Unaudited)

1. Organization and Significant Accounting Policies:

BlackRock Investment Quality Municipal Trust Inc. (BKN) is organized as a Maryland corporation. BlackRock Long-Term Municipal Advantage Trust (BTA), BlackRock Municipal 2020 Term Trust (BKK), BlackRock Municipal Income Trust (BFK), BlackRock Pennsylvania Strategic Municipal Trust (BPS) and BlackRock Strategic Municipal Trust (BSD) (collectively, together with BKN, the Trusts or individually as the Trust) are organized as Delaware statutory trusts. BKN, BKK, BFK and BSD are registered under the Investment Company Act of 1940, as amended (the 1940 Act), as diversified, closed-end management investment companies. BTA and BPS are registered under the 1940 Act as non-diversified, closed-end management investment companies. The Trusts financial statements are prepared in conformity with accounting principles generally accepted in the United States of America (US GAAP), which may require management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from those estimates. The Board of Directors and the Board of Trustees of the Trusts are referred to throughout this report as the Board of Trustees or the Board . The Trusts determine and make available for publication the net asset values of their Common Shares on a daily basis.

The following is a summary of significant accounting policies followed by the Trusts:

Valuation: The Trusts fair value their financial instruments at market value using independent dealers or pricing services under policies approved by the Board. Municipal investments (including commitments to purchase such investments on a when-issued basis) are valued on the basis of prices provided by dealers or pricing services. In determining the value of a particular investment, pricing services may use certain information with respect to transactions in such investments, quotations from dealers, pricing matrixes, market transactions in comparable investments and information with respect to various relationships between investments. Financial futures contracts traded on exchanges are valued at their last sale price. Short-term securities with remaining maturities of 60 days or less may be valued at amortized cost, which approximates fair value. Investments in open-end investment companies are valued at net asset value each business day.

In the event that application of these methods of valuation results in a price for an investment which is deemed not to be representative of the market value of such investment or is not available, the investment will be valued in accordance with a policy approved by the Board as reflecting fair value (Fair Value Assets). When determining the price for Fair Value Assets, the investment advisor and/or the sub-advisor seeks to determine

the price that each Trust might reasonably expect to receive from the current sale of that asset in an arm's-length transaction. Fair value determinations shall be based upon all available factors that the investment advisor and/or sub-advisor deems relevant. The pricing of all Fair Value Assets is subsequently reported to the Board or a committee thereof.

Forward Commitments and When-Issued Delayed Delivery Securities: The Trusts may purchase securities on a when-issued basis and may purchase or sell securities on a forward commitment basis. Settlement of such transactions normally occurs within a month or more after the purchase or sale

commitment is made. The Trusts may purchase securities under such conditions with the intention of actually acquiring them, but may enter into a separate agreement to sell the securities before the settlement date. Since the value of securities purchased may fluctuate prior to settlement, the Trusts may be required to pay more at settlement than the security is worth. In addition, the purchaser is not entitled to any of the interest earned prior to settlement. When purchasing a security on a delayed delivery basis, the Trusts assume the rights and risks of ownership of the security, including the risk of price and yield fluctuations. In the event of default by the counterparty, the Trusts' maximum amount of loss is the unrealized appreciation of unsettled when-issued transactions, which is shown on the Schedules of Investments, if any.

Municipal Bonds Transferred to Tender Option Bond Trusts: The Trusts leverage their assets through the use of tender option bond trusts (TOBs). A TOB is established by a third party sponsor forming a special purpose entity, into which one or more funds, or an agent on behalf of the funds, transfers municipal bonds. Other funds managed by the investment advisor may also contribute municipal bonds to a TOB into which a Trust has contributed bonds. A TOB typically issues two classes of beneficial interests: short-term floating rate certificates, which are sold to third party investors, and residual certificates (TOB Residuals), which are generally issued to the participating funds that made the transfer. The TOB Residuals held by a Trust include the right of a Trust (1) to cause the holders of a proportional share of the short-term floating rate certificates to tender their certificates at par, including during instances of a rise in short-term interest rates, and (2) to transfer, within seven days, a corresponding share of the municipal bonds from the TOB to a Trust. The TOB may also be terminated without the consent of a Trust upon the occurrence of certain events as defined in the TOB agreements. Such termination events may include the bankruptcy or default of the municipal bond, a substantial downgrade in credit quality of the municipal bond, the inability of the TOB to obtain quarterly or annual renewal of the liquidity support agreement, a substantial decline in market value of the municipal bond or the inability to remarket the short-term floating rate certificates to third party investors. During the six months ended October 31, 2010, no TOBs have been terminated without the consent of the Trusts.

The cash received by the TOB from the sale of the short-term floating rate certificates, less transaction expenses, is paid to a Trust, which typically

invests the cash in additional municipal bonds. Each Trust's transfer of the municipal bonds to a TOB is accounted for as a secured borrowing, therefore the municipal bonds deposited into a TOB are presented in the Trusts Schedules of Investments and the proceeds from the issuance of the short-term floating rate certificates are shown as trust certificates in the Statements of Assets and Liabilities.

Interest income, including amortization and accretion of premiums and discounts, from the underlying municipal bonds is recorded by the Trusts on an accrual basis. Interest expense incurred on the secured borrowing and other expenses related to remarketing, administration and trustee services to a TOB are shown as interest expense and fees in the Statements of Operations. The short-term floating rate certificates have interest rates that generally reset weekly and their holders have the option to tender certificates to the TOB for redemption at par at each reset date.

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Notes to Financial Statements (continued)

At October 31, 2010, the aggregate value of the underlying municipal bonds transferred to TOBs, the related liability for trust certificates and the range of interest rates on the liability for trust certificates were as follows:

| | Underlying Municipal Bonds Transferred to TOBs | Liability for Trust Certificates | Range of Interest Rates | |
|-----|---|---|------------------------------------|-------|
| BKN | \$ 25,987,737 | \$13,137,401 | 0.28% | 0.33% |
| BTA | \$137,573,449 | \$89,265,331 | 0.27% | 0.48% |
| BKK | \$ 5,598,600 | \$ 3,750,000 | | 0.33% |
| BFK | \$135,638,189 | \$75,182,147 | 0.27% | 0.33% |
| BPS | \$ 8,307,063 | \$ 4,124,755 | 0.28% | 0.48% |
| BSD | \$ 25,137,882 | \$13,546,165 | 0.27% | 0.33% |

For the six months ended October 31, 2010, the Trusts' average trust certificates outstanding and the daily weighted average interest rate, including fees, were as follows:

| | Average Trust Certificates Outstanding | Daily Weighted Average Interest Rate |
|-----|---|---|
| BKN | \$12,697,841 | 0.74% |
| BTA | \$88,856,404 | 1.08% |
| BKK | \$ 3,750,000 | 0.69% |
| BFK | \$76,037,404 | 0.74% |
| BPS | \$ 3,442,610 | 0.86% |
| BSD | \$13,686,884 | 0.75% |

Should short-term interest rates rise, the Trusts' investments in TOBs may adversely affect the Trusts' net investment income and dividends to Common Shareholders. Also, fluctuations in the market value of municipal bonds deposited into the TOB may adversely affect the Trusts' net asset values per share.

Zero-Coupon Bonds: The Trusts may invest in zero-coupon bonds, which

are normally issued at a significant discount from face value and do not provide for periodic interest payments. Zero-coupon bonds may experience greater volatility in market value than similar maturity debt obligations which provide for regular interest payments.

Segregation and Collateralization: In cases in which the 1940 Act and the interpretive positions of the Securities and Exchange Commission (SEC) require that the Trusts either deliver collateral or segregate assets in connection with certain investments (e.g., financial futures contracts) the Trusts will, consistent with SEC rules and/or certain interpretive letters issued by the SEC, segregate collateral or designate on their books and records cash or other liquid securities having a market value at least equal to the amount that would otherwise be required to be physically segregated. Furthermore, based on requirements and agreements with certain exchanges and third party broker-dealers, each party has requirements to deliver/deposit securities as collateral for certain investments.

Investment Transactions and Investment Income: For financial reporting purposes, investment transactions are recorded on the dates the transactions are entered into (the trade dates). Realized gains and losses on investment transactions are determined on the identified cost basis. Dividend income is recorded on the ex-dividend dates. Interest income,

including amortization and accretion of premiums and discounts on debt securities, is recognized on the accrual basis. Consent fees are compensation for agreeing to changes in the terms of debt instruments and are included in interest income in the Statements of Operations.

Dividends and Distributions: Dividends from net investment income are declared and paid monthly. Distributions of capital gains are recorded on the ex-dividend dates. The amount and timing of dividends and distributions are determined in accordance with federal income tax regulations, which may differ from US GAAP. Dividends and distributions to Preferred Shareholders are accrued and determined as described in Note 7.

Income Taxes: It is each Trust's policy to comply with the requirements of the Internal Revenue Code of 1986, as amended, applicable to regulated investment companies and to distribute substantially all of its taxable income to its shareholders. Therefore, no federal income tax provision is required.

Each Trust files US federal and various state and local tax returns. No income tax returns are currently under examination. The statute of limitations on the Trusts' US federal tax returns remains open for the year ended April 30, 2010, the period ended April 30, 2009 and the preceding two taxable years of the respective Trust. The statutes of limitations on the Trusts' state and local tax returns may remain open for an additional year depending upon the jurisdiction. There are no uncertain tax positions that require recognition of a tax liability.

Deferred Compensation and BlackRock Closed-End Share Equivalent

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Investment Plan: Under the deferred compensation plan approved by each Trust's Board, non-interested Trustees (Independent Trustees) may defer a portion of their annual complex-wide compensation. Deferred amounts earn an approximate return as though equivalent dollar amounts had been invested in common shares of certain other BlackRock Closed-End Funds selected by the Independent Trustees. This has approximately the same economic effect for the Independent Trustees as if the Independent Trustees had invested the deferred amounts directly in certain other BlackRock Closed-End Funds.

The deferred compensation plan is not funded and obligations thereunder represent general unsecured claims against the general assets of each Trust. Each Trust may, however, elect to invest in common shares of certain other BlackRock Closed-End Funds selected by the Independent Trustees in order to match its deferred compensation obligations. Investments to cover each Trust's deferred compensation liability, if any, are included in other assets in the Statements of Assets and Liabilities. Dividends and distributions from the BlackRock Closed-End Fund investments under the plan are included in income affiliated in the Statements of Operations.

Other: Expenses directly related to a Trust are charged to that Trust. Other operating expenses shared by several funds are pro rated among those funds on the basis of relative net assets or other appropriate methods. The Trusts have an arrangement with the custodian whereby fees may be reduced by credits earned on uninvested cash balances, which if applicable are shown as fees paid indirectly in the Statements of Operations. The custodian imposes fees on overdrawn cash balances, which can be offset by accumulated credits earned or may result in additional custody charges.

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Notes to Financial Statements (continued)

2. Derivative Financial Instruments:

The Trusts engage in various portfolio investment strategies using derivative contracts both to increase the returns of the Trusts and to economically hedge, or protect, their exposure to certain risks such as interest rate risk. These contracts may be transacted on an exchange.

Losses may arise if the value of the contract decreases due to an unfavorable change in the market rates or values of the underlying instrument or if the counterparty does not perform under the contract. Counterparty risk related to exchange-traded financial futures contracts is minimal because of the protection against defaults provided by the exchange on which these contracts trade.

Financial Futures Contracts: The Trusts purchase or sell financial futures contracts and options on financial futures contracts to gain exposure to, or economically hedge against, changes in interest rates (interest rate risk). Financial futures contracts are contracts for delayed delivery of securities or currencies at a specific future date and at a specific price or yield. Pursuant to the contract, the Trusts agree to receive from or pay to the broker an amount of cash equal to the daily fluctuation in value of the contract. Such receipts or payments are known as margin variation and are recognized by the Trusts as unrealized gains or losses. When the contract is closed, the Trusts record a realized gain or loss equal to the difference between the value of the contract at the time it was opened and the value at the time it was closed. The use of financial futures transactions involves the risk of an imperfect correlation in the movements in the price of financial futures contracts, interest rates and the underlying assets.

Derivative Instruments Categorized by Risk Exposure:

The Effect of Derivative Instruments of the Statements of Operations

Six Months Ended October 31, 2010*

| | Net Realized Loss From | | | | |
|-----------------------------|------------------------|-------------|-------------|-------------|-------------|
| | BKN | BTA | BFK | BPS | BSD |
| Interest rate contracts: | | | | | |
| Financial futures contracts | \$ (79,167) | \$ (72,294) | \$(458,914) | \$ (21,030) | \$ (71,021) |

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* As of October 31, 2010, there were no financial futures contracts outstanding.

For the six months ended October 31, 2010, the average quarterly balance of outstanding derivative financial instruments was as follows:

| | BKN | BTA | BFK | BPS | BSD |
|-------------------|-------------|-------------|--------------|-----------|-------------|
| Financial futures | | | | | |
| contracts: | | | | | |
| Average | | | | | |
| number of | | | | | |
| contracts | | | | | |
| sold | 33 | 25 | 163 | 7 | 26 |
| Average | | | | | |
| notional | | | | | |
| value of | | | | | |
| contracts | | | | | |
| sold | \$4,036,927 | \$2,951,524 | \$19,582,846 | \$846,266 | \$3,073,366 |

3. Investment Advisory Agreement and Other Transactions with Affiliates:

The PNC Financial Services Group, Inc. (PNC), Bank of America Corporation (BAC) and Barclays Bank PLC (Barclays) are the largest stockholders of BlackRock, Inc. (BlackRock). Due to the ownership structure, PNC is an affiliate of the Trusts for 1940 Act purposes, but BAC and Barclays are not.

Each Trust entered into an Investment Advisory Agreement with BlackRock Advisors, LLC (the Manager), the Trusts investment advisor, an indirect, wholly owned subsidiary of BlackRock, to provide investment advisory and administration services. The Manager is responsible for the management of each Trust s portfolio and provides the necessary personnel, facilities, equipment and certain other services necessary to the operations of each Trust. For such services, each Trust pays the Manager a monthly fee at the following annual rates of each Trust s average weekly net assets as follows:

| | |
|-----|-------|
| BKN | 0.35% |
| BTA | 1.00% |
| BKK | 0.50% |
| BFK | 0.60% |
| BPS | 0.60% |
| BSD | 0.60% |

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Average weekly net assets for all of the Trusts, except BTA, is the average weekly value of each Trust's total assets minus the sum of its accrued liabilities. For BTA, average weekly net assets is the average weekly value of the Trust's total assets minus the sum of its total liabilities.

The Manager voluntarily agreed to waive a portion of its investment advisory fees or other expenses as a percentage of its average daily net assets as follows:

| | Through | Rate |
|-----|------------------|-------------|
| BTA | January 31, 2011 | 0.40% |
| | January 31, 2012 | 0.30% |
| | January 31, 2013 | 0.20% |
| | January 31, 2014 | 0.10% |
| BFK | July 31, 2010 | 0.05% |

For the six months October 31, 2010, the Manager waived the following amounts, which are included in fees waived by advisor in the Statements of Operations:

| | |
|-----|-----------|
| BTA | \$305,071 |
| BFK | \$115,236 |

The Manager voluntarily agreed to waive its investment advisory fees by the amount of investment advisory fees each Trust pays to the Manager indirectly through its investment in affiliated money market funds, however the Manager does not waive its investment advisory fees by the amount of investment advisory fees paid through each Trust's investment in other affiliated investment companies, if any. These amounts are shown as, or included in, fees waived by advisor in the Statements of Operations. For the six months ended October 31, 2010, the amounts waived were as follows:

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Notes to Financial Statements (continued)

| | |
|-----|---------|
| BKN | \$ 885 |
| BTA | \$ 228 |
| BKK | \$ 964 |
| BFK | \$1,685 |
| BPS | \$1,749 |
| BSD | \$ 350 |

The Manager entered into a sub-advisory agreement with BlackRock Financial Management, Inc. (BFM), an affiliate of the Manager. The Manager pays BFM for services it provides, a monthly fee that is a percentage of the investment advisory fees paid by each Trust to the Manager.

BKN has an Administration Agreement with the Manager. The administration fee paid to the Manager is computed at an annual rate of 0.15% of the Trust's average weekly total assets minus the sum of its accrued liabilities.

For the six months ended October 31, 2010, the Trusts reimbursed the manager for certain accounting services, which are included in accounting services in the Statements of Operations. The reimbursements were as follows:

| | |
|-----|---------|
| BTA | \$2,309 |
| BKK | \$4,452 |
| BFK | \$9,131 |
| BPS | \$ 623 |
| BSD | \$1,441 |

Certain officers and/or trustees of the Trusts are officers and/or directors of BlackRock or its affiliates. The Trusts reimburse the Manager for compensation paid to the Trusts' Chief Compliance Officer.

4. Investments:

Purchases and sales of investments, excluding short-term securities, for the six months ended October 31, 2010, were as follows:

| | Purchases | Sales |
|-----|------------------|---------------|
| BKN | \$89,565,657 | \$ 83,830,344 |
| BTA | \$16,987,401 | \$ 14,826,839 |
| BKK | \$20,100,007 | \$ 32,801,441 |

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| | | |
|-----|--------------|---------------|
| BFK | \$85,838,944 | \$ 82,274,204 |
| BPS | \$ 6,983,394 | \$ 5,909,358 |
| BSD | \$14,010,060 | \$ 19,362,857 |

5. Capital Loss Carryforward:

As of April 30, 2010, the Trusts had capital loss carryforwards available to offset future realized capital gains through the indicated expiration dates:

| Expires April 30, | BKN | BTA | BKK |
|-------------------|---------------------|---------------------|--------------------|
| 2013 | | | \$ 264,701 |
| 2014 | \$ 728,359 | \$ 701,315 | |
| 2015 | | | 524,725 |
| 2016 | 4,566,913 | 22,052,642 | 411,992 |
| 2017 | 4,506,796 | 6,882,935 | |
| 2018 | 1,174,679 | 4,821,726 | 471,188 |
| Total | \$10,976,747 | \$34,458,618 | \$1,672,606 |

| Expires April 30, | BFK | BPS | BSD |
|-------------------|---------------------|--------------------|--------------------|
| 2011 | \$11,445,922 | | |
| 2012 | 15,775,833 | | \$ 427,602 |
| 2013 | | \$ 133,646 | 1,011,077 |
| 2014 | 4,991,959 | | |
| 2015 | 606,017 | | |
| 2016 | 10,207,532 | 127,957 | 251,883 |
| 2017 | 2,065,704 | 929,529 | 4,028,776 |
| 2018 | 2,455,638 | 586,549 | 2,381,683 |
| Total | \$47,548,605 | \$1,777,681 | \$8,101,021 |

6. Concentration, Market and Credit Risk:

BKN, BTA, BKK, BFK and BPS invest a substantial amount of their assets in issuers located in a single state or limited number of states. Please see the Schedules of Investments for concentration in specific states.

Many municipalities insure repayment of their bonds, which may reduce the potential for loss due to credit risk. The market value of these bonds may fluctuate for other reasons, including market perception of the value of such insurance, and there is no guarantee that the insurer will meet its obligation.

In the normal course of business, the Trusts invest in securities and

enter into transactions where risks exist due to fluctuations in the market (market risk) or failure of the issuer of a security to meet all its obligations (issuer credit risk). The value of securities held by the Trusts may decline in response to certain events, including those directly involving the issuers whose securities are owned by the Trusts; conditions affecting the general economy; overall market changes; local, regional or global political, social or economic instability; and currency and interest rate and price fluctuations. Similar to issuer credit risk, the Trusts may be exposed to counterparty credit risk, or the risk that an entity with which the Trusts have unsettled or open transactions may fail to or be unable to perform on its commitments. The Trusts manage counterparty credit risk by entering into transactions only with counterparties that they believe have the financial resources to honor their obligations and by monitoring the financial stability of those counterparties. Financial assets, which potentially expose the Trusts to market, issuer and counterparty credit risks, consist principally of financial instruments and receivables due from counterparties. The extent of the Trusts' exposure to market, issuer and counterparty credit risks with respect to these financial assets is generally approximated by their value recorded in the Trusts' Statements of Assets and Liabilities, less any collateral held by the Trusts.

As of October 31, 2010, BKN, BPS and BSD invested a significant portion of its assets in the Health sector. Changes in economic conditions affecting the Health sector would have a greater impact on the Trusts and could affect the value, income and/or liquidity of positions in such securities.

7. Capital Share Transactions:

BKK, BFK, BPS and BSD are authorized to issue an unlimited number of shares, including Preferred Shares, par value \$0.001 per share, all of which were initially classified as Common Shares. BKN is authorized to issue 200 million shares including Preferred Shares, all of which were initially classified as Common Shares, par value \$0.01 per share. BTA is authorized to issue an unlimited number of Common Shares, par value \$0.001 per share. BTA is also allowed to issue Preferred Shares but has not done so.

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Notes to Financial Statements (continued)

The Board is authorized, however, to reclassify any unissued shares without approval of Common Shareholders.

Common Shares

At October 31, 2010, the shares owned by an affiliate of the Manager of the Trusts were as follows:

| | Shares |
|-----|---------------|
| BTA | 9,704 |
| BKK | 8,028 |

For the periods shown, shares issued and outstanding increased by the following amounts as a result of dividend reinvestment:

| | Six Months Ended October 31, 2010 | Period Ended April 30, 2010 |
|-----|--|--|
| BKN | 32,876 | 58,180 |
| BTA | 19,047 | |
| BFK | 65,674 | 152,317 |
| BPS | 1,341 | |
| BSD | 3,154 | 1,237 |

Shares issued and outstanding remained constant for BKK for the six months ended October 31, 2010 and the year ended April 30, 2010.

Preferred Shares

The Preferred Shares are redeemable at the option of each Trust, in whole or in part, on any dividend payment date at their liquidation preference per share plus any accumulated and unpaid dividends whether or not declared. The Preferred Shares are also subject to mandatory redemption at their liquidation preference plus any accumulated and unpaid dividends, whether or not declared, if certain requirements relating to the composition of the assets and liabilities of a Trust, as set forth in each Trust's Articles of Supplementary/Statement of Preference (the "Governing Instrument") are not satisfied.

From time to time in the future, each Trust may effect repurchases of its

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Preferred Shares at prices below their liquidation preference as agreed upon by the Trust and seller. Each Trust also may redeem its Preferred Shares from time to time as provided in the applicable Governing Instrument. Each Trust intends to effect such redemptions and/or repurchases to the extent necessary to maintain applicable asset coverage requirements or for such other reasons as the Board may determine.

The holders of Preferred Shares have voting rights equal to the holders of Common Shares (one vote per share) and will vote together with holders of Common Shares (one vote per share) as a single class. However, the holders of Preferred Shares, voting as a separate class, are also entitled to elect two Trustees for each Trust. In addition, the 1940 Act requires that along with approval by shareholders that might otherwise be required, the approval of the holders of a majority of any outstanding Preferred Shares, voting separately as a class would be required to (a) adopt any plan of reorganization that would adversely affect the Preferred Shares, (b) change a Trust's sub-classification as a closed-end investment company or change its fundamental investment restrictions or (c) change its business so as to cease to be an investment company.

BKN, BKK, BFK, BPS and BSD had the following series of Preferred Shares outstanding, effective yields and reset frequency as of October 31, 2010:

| | | Preferred | Effective | Reset |
|-----|---------------|------------------|------------------|------------------|
| | Series | Shares | Yield | Frequency |
| | | | | Days |
| BKN | T7 | 2,804 | 0.44% | 7 |
| | T28 | 2,234 | 0.44% | 28 |
| BKK | M7 | 2,318 | 0.44% | 7 |
| | W7 | 2,318 | 0.43% | 7 |
| | F7 | 2,318 | 0.44% | 7 |
| BFK | M7 | 2,167 | 0.44% | 7 |
| | T7 | 2,167 | 0.44% | 7 |
| | W7 | 2,167 | 0.43% | 7 |
| | R7 | 2,167 | 0.43% | 7 |
| BPS | F7 | 2,167 | 0.44% | 7 |
| | W7 | 653 | 0.43% | 7 |
| BSD | W7 | 1,719 | 0.43% | 7 |

Dividends on seven-day and 28-day Preferred Shares are cumulative at a rate which is reset every seven or 28 days, respectively, based on the results of an auction. If the Preferred Shares fail to clear the auction on an auction date, each Trust is required to pay the maximum applicable rate on the Preferred Shares to holders of such shares for successive dividend periods until such time as the shares are successfully auctioned. The maximum applicable rate on all series of Preferred Shares is the higher of

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110% of the AA commercial paper rate or 110% of 90% of the Kenny S&P 30-day High Grade Index rate divided by 1.00 minus the marginal tax rate. The low, high and average dividend rates on the Preferred Shares for each Trust for the period were as follows:

| | Series | Low | High | Average |
|-----|--------|-------|-------|---------|
| BKN | T7 | 0.35% | 0.47% | 0.42% |
| | T28 | 0.35% | 0.46% | 0.41% |
| BKK | M7 | 0.35% | 0.49% | 0.42% |
| | W7 | 0.38% | 0.47% | 0.43% |
| | F7 | 0.35% | 0.47% | 0.42% |
| BFK | M7 | 0.35% | 0.49% | 0.42% |
| | T7 | 0.35% | 0.47% | 0.45% |
| | W7 | 0.38% | 0.47% | 0.43% |
| | R7 | 0.35% | 0.47% | 0.42% |
| | F7 | 0.35% | 0.47% | 0.42% |
| BPS | W7 | 0.38% | 0.47% | 0.43% |
| BSD | W7 | 0.38% | 0.47% | 0.43% |

Since February 13, 2008, the Preferred Shares of the Trusts failed to clear any of their auctions. As a result, the Preferred Shares dividend rates were reset to the maximum applicable rate, which ranged from 0.35% to 0.49% for the six months ended October 31, 2010. A failed auction is not an event of default for the Trusts but it has a negative impact on the liquidity of Preferred Shares. A failed auction occurs when there are more sellers of a Trust's auction rate preferred shares than buyers. A successful auction for the Trusts' Preferred Shares may not occur for some time, if ever, and even if liquidity does resume, Preferred Shareholders may not have the ability to sell the Preferred Shares at their liquidation preference.

The Trusts may not declare dividends or make other distributions on Common Shares or purchase any such shares if, at the time of the declaration, distribution or purchase, asset coverage with respect to the outstanding Preferred Shares is less than 200%.

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Notes to Financial Statements (concluded)

The Trusts pay commissions of 0.25% on the aggregate principal amount of all shares that successfully clear their auctions and 0.15% on the aggregate principal amount of all shares that fail to clear their auctions. Certain broker dealers have individually agreed to reduce commissions for failed auctions.

During the year ended April 30, 2010, BKN, BFK, BPS and BSD announced the following redemptions of Preferred Shares at a price of \$25,000 per share plus any accrued and unpaid dividends through the redemption date:

| | | Redemption | Shares | Aggregate |
|-----|---------------|-------------------|-----------------|------------------|
| | Series | Date | Redeemed | Principal |
| BKN | T7 | 7/08/09 | 22 | \$ 50,000 |
| | T28 | 7/08/09 | 18 | \$ 50,000 |
| BFK | M7 | 7/14/09 | 178 | \$4,450,000 |
| | T7 | 7/08/09 | 178 | \$4,450,000 |
| | W7 | 7/09/09 | 178 | \$4,450,000 |
| | R7 | 7/10/09 | 178 | \$4,450,000 |
| | F7 | 7/13/09 | 178 | \$4,450,000 |
| BPS | W7 | 7/09/09 | 20 | \$ 500,000 |
| BSD | W7 | 7/09/09 | 191 | \$4,775,000 |

The Trusts financed the Preferred Share redemptions with cash received from TOB transactions.

Preferred Shares issued and outstanding remained constant for the six months ended October 31, 2010.

8. Subsequent Events:

Management's evaluation of the impact of all subsequent events on the Trusts' financial statements was completed through the date the financial statements were issued and the following items were noted:

Each Trust paid a net investment income dividend on December 1, 2010 to Common Shareholders of record on November 15, 2010 as follows:

| | Common Dividend |
|-----|------------------------|
| | Per Share |
| BKN | \$0.08400 |

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| | |
|-----|-----------|
| BTA | \$0.06100 |
| BKK | \$0.06225 |
| BFK | \$0.07860 |
| BPS | \$0.07350 |
| BSD | \$0.07250 |

Each Fund paid a net investment income dividend on December 31, 2010 to Common Shareholders of record on December 15, 2010 as follows:

| | Common Dividend Per Share |
|-----|--------------------------------------|
| BKN | \$0.08400 |
| BTA | \$0.06100 |
| BKK | \$0.06225 |
| BFK | \$0.08010 |
| BPS | \$0.07600 |
| BSD | \$0.07400 |

The dividends declared on Preferred Shares for the period November 1, 2010 to November 30, 2010 were as follows:

| | Series | Dividends Declared |
|-----|---------------|-------------------------------|
| BKN | T7 | \$23,765 |
| | T28 | \$20,096 |
| BKK | M7 | \$19,671 |
| | W7 | \$19,834 |
| | F7 | \$19,671 |
| BFK | M7 | \$18,390 |
| | T7 | \$18,453 |
| | W7 | \$18,434 |
| | R7 | \$18,503 |
| | F7 | \$18,390 |
| BPS | W7 | \$ 5,587 |
| BSD | W7 | \$14,269 |

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Disclosure of Investment Advisory Agreements and Sub-Advisory Agreements

The Board of Directors and the Board of Trustees, as the case may be (each, a Board, and, collectively, the "Boards," and the members of which are referred to as "Board Members") of each of BlackRock Investment Quality Municipal Trust, Inc. (BKN), BlackRock Long-Term Municipal Advantage Trust (BTA), BlackRock Municipal 2020 Term Trust (BKK), BlackRock Municipal Income Trust (BFK), BlackRock Pennsylvania Strategic Municipal Trust (BPS) and BlackRock Strategic Municipal Trust (BSD, and together with BKN, BTA, BKK, BFK and BPS, each a Fund, and, collectively, the Funds) met on April 8, 2010 and May 13-14, 2010 to consider the approval of each Fund's investment advisory agreement (collectively, the Advisory Agreements) with BlackRock Advisors, LLC (the Manager), each Fund's investment advisor. The Boards also considered the approval of the sub-advisory agreement (collectively, the Sub-Advisory Agreements) between the Manager and BlackRock Financial Management, Inc. (the Sub-Advisor), with respect to each Fund. The Manager and the Sub-Advisor are referred to herein as BlackRock. The Advisory Agreements and the Sub-Advisory Agreements are referred to herein as the Agreements.

Activities and Composition of the Board

The Board of each Fund consists of ten individuals, eight of whom are not interested persons of the Funds as defined in the Investment Company Act of 1940 (the 1940 Act) (the Independent Board Members). The Board Members are responsible for the oversight of the operations of each Fund and perform the various duties imposed on the directors of investment companies by the 1940 Act. The Independent Board Members have retained independent legal counsel to assist them in connection with their duties. The Chairman of each Board is an Independent Board Member. Each Board has established five standing committees: an Audit Committee, a Governance and Nominating Committee, a Compliance Committee, a Performance Oversight Committee and an Executive Committee, each of which is composed of Independent Board Members (except for the Executive Committee, which also has one interested Board Member) and is chaired by an Independent Board Member. The Board of each of BSD, BKN, BKK, BFK and BPS also has two ad hoc committees, the Joint Product Pricing Committee, which consists of Independent Board Members and the directors/trustees of the boards of certain other BlackRock-managed funds, who are not interested persons of their respective funds, and the Ad Hoc Committee on Auction Market Preferred Shares. The Board of BTA has one ad hoc committee, the Joint Product Pricing Committee.

The Agreements

Pursuant to the 1940 Act, the Boards are required to consider the continu-

ation of the Agreements on an annual basis. In connection with this process, the Boards assessed, among other things, the nature, scope and quality of the services provided to the Funds by the personnel of BlackRock and its affiliates, including investment management, administrative and shareholder services, oversight of fund accounting and custody, marketing services and assistance in meeting applicable legal and regulatory requirements.

From time to time throughout the year, Boards, acting directly and through their committees, considered at each of their meetings factors that are relevant to their annual consideration of the renewal of the Agreements, including the services and support provided by BlackRock to the Funds and their shareholders. Among the matters the Boards considered were: (a) investment performance for one-, three- and five-year periods, as applicable, against peer funds, and applicable benchmarks, if any, as well as senior management's and portfolio managers' analysis of the reasons for any over performance or underperformance against a Fund's peers and/or benchmark, as applicable; (b) fees, including advisory, administration for BKN, and other amounts paid to BlackRock and its affiliates by each Fund for services such as call center and fund accounting; (c) each Fund's operating expenses; (d) the resources devoted to and compliance reports relating to each Fund's investment objective, policies and restrictions; (e) each Fund's compliance with its Code of Ethics and compliance policies and procedures; (f) the nature, cost and character of non-investment management services provided by BlackRock and its affiliates; (g) BlackRock's and other service providers' internal controls; (h) BlackRock's implementation of the proxy voting policies approved by the Boards; (i) execution quality of portfolio transactions; (j) BlackRock's implementation of each Fund's valuation and liquidity procedures; (k) an analysis of contractual and actual management fees for products with similar investment objectives across the open-end fund, closed-end fund and institutional account product channels, as applicable; and (l) periodic updates on BlackRock's business.

Board Considerations in Approving the Agreements

The Approval Process: Prior to the April 8, 2010 meeting, the Boards requested and each received materials specifically relating to the Agreements. The Boards are engaged in a process with BlackRock to periodically review the nature and scope of the information provided to better assist their deliberations. The materials provided in connection with the April meeting included (a) information independently compiled and prepared by Lipper, Inc. (Lipper) on Fund fees and expenses, and the investment performance of each Fund as compared with a peer group of funds as determined by Lipper, and in the case of BKN, BTA, BFK and BSD, a customized peer group selected by BlackRock (collectively, Peers); (b) information on the profitability of the Agreements to BlackRock and a discussion of fall-out benefits to BlackRock and its affiliates and significant shareholders; (c) a general analysis provided by BlackRock concerning investment advisory fees charged to other clients, such as institutional clients and open-end funds, under similar investment mandates; (d) the impact of economies of scale; (e) a summary of aggregate amounts paid

by each Fund to BlackRock and (f) if applicable, a comparison of management fees to similar BlackRock closed-end funds, as classified by Lipper.

At an in-person meeting held on April 8, 2010, the Boards reviewed materials relating to their consideration of the Agreements. As a result of the discussions that occurred during the April 8, 2010 meeting, the Boards presented BlackRock with questions and requests for additional information and BlackRock responded to these requests with additional written information in advance of the May 13 - 14, 2010 Board meeting.

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Disclosure of Investment Advisory Agreements and Sub-Advisory Agreements (continued)

At an in-person meeting held on May 13-14, 2010, each Board, including its Independent Board Members, unanimously approved the continuation of the Advisory Agreement between the Manager and its respective Fund and the Sub-Advisory Agreement between the Manager and the Sub-Advisor with respect to its respective Fund, each for a one-year term ending June 30, 2011. In approving the continuation of the Agreements, the Boards considered: (a) the nature, extent and quality of the services provided by BlackRock; (b) the investment performance of each Fund and BlackRock; (c) the advisory fee and the cost of the services and profits to be realized by BlackRock and its affiliates from their relationship with each Fund; (d) economies of scale; and (e) other factors deemed relevant by the Board Members.

The Boards also considered other matters they deemed important to the approval process, such as services related to the valuation and pricing of each Fund's portfolio holdings, direct and indirect benefits to BlackRock and its affiliates and significant shareholders from their relationship with each Fund and advice from independent legal counsel with respect to the review process and materials submitted for the Boards' review. The Boards noted the willingness of BlackRock personnel to engage in open, candid discussions with the Boards. The Boards did not identify any particular information as controlling, and each Board Member may have attributed different weights to the various items considered.

A. Nature, Extent and Quality of the Services Provided by BlackRock: The Boards, including the Independent Board Members, reviewed the nature, extent and quality of services provided by BlackRock, including the investment advisory services and the resulting performance of each Fund. Throughout the year, the Boards compared each Fund's performance to the performance of a comparable group of closed-end funds, and the performance of a relevant benchmark, if any. The Boards met with BlackRock's senior management personnel responsible for investment operations, including the senior investment officers. The Boards also reviewed the materials provided by each Fund's portfolio management team discussing each Fund's performance and each Fund's investment objective, strategies and outlook.

The Boards considered, among other factors, the number, education and experience of BlackRock's investment personnel generally and each Fund's portfolio management team, investments by portfolio managers in the funds they manage, BlackRock's portfolio trading capabilities, BlackRock's use of technology, BlackRock's commitment to compliance, BlackRock's credit analysis capabilities, BlackRock's risk analysis capabilities and BlackRock's approach to training and retaining portfolio managers and other research, advisory and management personnel. The Boards also reviewed a general description of BlackRock's compensation structure with

respect to each Fund's portfolio management team and BlackRock's ability to attract and retain high-quality talent.

In addition to advisory services, the Boards considered the quality of the administrative and non-investment advisory services provided to each Fund. BlackRock and its affiliates and significant shareholders provide each Fund with certain administrative and other services (in addition to any such services provided to each Fund by third parties) and officers and other personnel as are necessary for the operations of each Fund. In

addition to investment advisory services, BlackRock and its affiliates provide each Fund with other services, including (i) preparing disclosure documents, such as the prospectus and the statement of additional information in connection with the initial public offering and periodic shareholder reports; (ii) preparing communications with analysts to support secondary market trading of each Fund; (iii) assisting with daily accounting and pricing; (iv) preparing periodic filings with regulators and stock exchanges;

(v) overseeing and coordinating the activities of other service providers; (vi) organizing Board meetings and preparing the materials for such Board

meetings; (vii) providing legal and compliance support; and (viii) performing other administrative functions necessary for the operation of each Fund, such as tax reporting, fulfilling regulatory filing requirements, and call center services. The Boards reviewed the structure and duties of BlackRock's fund administration, accounting, legal and compliance departments and considered BlackRock's policies and procedures for assuring compliance with applicable laws and regulations.

B. The Investment Performance of the Funds and BlackRock: The Boards, including the Independent Board Members, also reviewed and considered the performance history of each Fund. In preparation for the April 8, 2010 meeting, the Boards were provided with reports, independently prepared by Lipper, which included a comprehensive analysis of each Fund's performance. The Boards also reviewed a narrative and statistical analysis of the Lipper data that was prepared by BlackRock, which analyzed various factors that affect Lipper's rankings. In connection with their reviews, the Boards received and reviewed information regarding the investment performance of each Fund as compared to a representative group of similar funds as determined by Lipper and to all funds in each Fund's applicable Lipper category, and in the case of BKN, BTA, BFK and BSD, a customized peer group selected by BlackRock. The Boards were provided with a description of the methodology used by Lipper to select peer funds. The Boards regularly review the performance of each Fund throughout the year.

The Boards of BKN, BFK and BSD noted that, in general, BKN, BFK and BSD performed better than their respective Peers in that each Fund's performance was at or above the median of its Customized Lipper Peer Group Composite in each of the one-, three- and five-year periods reported.

The Board of BPS noted that, in general, BPS performed better than

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its Peers in that BPS's performance was at or above the median of its Lipper Performance Composite in each of the one-, three- and five-year periods reported.

The Board of BKK noted that BKK performed below the median of its Lipper Performance Composite in the one- and three-year periods reported, but that BKK performed better than or equal to the median of its Lipper Performance Composite in the five-year period reported. The Board of BKK and BlackRock reviewed the reasons for BKK's underperformance during the one- and three-year periods compared with its Peers. The Board of BKK was informed that, among other things, BKK has a targeted maturity, and as such is managed to achieve the specific maturity goal.

The Board of BTA noted that BTA performed below the median of its Customized Lipper Peer Group Composite in the three-year and since-

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Disclosure of Investment Advisory Agreements and Sub-Advisory Agreements (continued)

inception periods reported, but that BTA performed better than or equal to the median of its Customized Lipper Peer Group Composite in the one-year period reported. The Board of BTA and BlackRock reviewed the reasons for BTA's underperformance during the three-year and since-inception periods compared with its Peers. The Board of BTA was informed that, among other things, BTA's emphasis on longer dated, lower quality bonds coupled with a leverage structure that relied on highly levered TOBs proved disadvantageous in an environment where the yield curve steepened, credit spreads widened and leverage was forced to unwind.

The Board of BTA and BlackRock discussed BlackRock's strategy for improving BTA's performance and BlackRock's commitment to providing the resources necessary to assist BTA's portfolio managers and to improve BTA's performance.

The Boards noted that BlackRock has made changes to the organization of the overall fixed income group management structure designed to result in a strengthened leadership team with clearer accountability.

C. Consideration of the Advisory Fees and the Cost of the Services and Profits to be Realized by BlackRock and its Affiliates from their Relationship with the Funds: The Boards, including the Independent Board Members, reviewed each Fund's contractual advisory fee rate compared with the other funds in its Lipper category. The Boards also compared each Fund's total expenses, as well as actual management fees, to those of other funds in its Lipper category. The Boards considered the services provided and the fees charged by BlackRock to other types of clients with similar investment mandates, including separately managed institutional accounts.

The Boards received and reviewed statements relating to BlackRock's financial condition and profitability with respect to the services it provided each Fund. The Boards were also provided with a profitability analysis that detailed the revenues earned and the expenses incurred by BlackRock for services provided to each Fund. The Boards reviewed BlackRock's profitability with respect to each Fund and other funds the Boards currently oversee for the year ended December 31, 2009 compared to available aggregate profitability data provided for the year ended December 31, 2008. The Boards reviewed BlackRock's profitability with respect to other fund complexes managed by the Manager and/or its affiliates. The Boards reviewed BlackRock's assumptions and methodology of allocating expenses in the profitability analysis, noting the inherent limitations in allocating costs among various advisory products. The Boards recognized that profitability may be affected by numerous factors including, among other things, fee waivers and expense reimbursements by the Manager, the types

of funds managed, expense allocations and business mix, and the difficulty of comparing profitability as a result of those factors.

The Boards noted that, in general, individual fund or product line profitability of other advisors is not publicly available. Nevertheless, to the extent such information was available, the Boards considered BlackRock's overall operating margin, in general, compared to the operating margin for leading investment management firms whose operations include advising closed-end funds, among other product types. That data indicates that operating margins for BlackRock with respect to its registered funds are generally

consistent with margins earned by similarly situated publicly traded competitors. In addition, the Boards considered, among other things, certain third party data comparing BlackRock's operating margin with that of other publicly-traded asset management firms. That third party data indicates that larger asset bases do not, in themselves, translate to higher profit margins.

In addition, the Boards considered the cost of the services provided to each Fund by BlackRock, and BlackRock's and its affiliates' profits relating to the management and distribution of each Fund and the other funds advised by BlackRock and its affiliates. As part of their analysis, the Boards reviewed BlackRock's methodology in allocating its costs to the management of each Fund. The Boards also considered whether BlackRock has the financial resources necessary to attract and retain high quality investment management personnel to perform its obligations under the Agreements and to continue to provide the high quality of services that is expected by the Boards.

The Boards of BKN, BKK, BPS and BSD noted that each of their respective Funds' contractual management fee rate was lower than or equal to the median contractual management fee rate paid by the Fund's Peers, in each case, before taking into account any expense reimbursements or fee waivers.

The Board of BFK noted that BFK's contractual management fee rate was above the median contractual management fee rate paid by BFK's Peers, in each case, before taking into account any expense reimbursements or fee waivers. The Board of BFK also noted, however, that BFK's contractual management fee rate was reasonable relative to the median contractual management fee rate paid by BFK's peers.

The Board of BTA noted that BTA's contractual management fee rate was above the median contractual management fee rate paid by BTA's Peers, in each case, before taking into account any expense reimbursements or fee waivers. The Board of BTA also noted, however, that BTA's actual management fee rate, after giving effect to any expense reimbursements or fee waivers by BlackRock, was lower than or equal to the median actual management fee rate paid by BTA's Peers, after giving effect to any expense reimbursements or fee waivers.

D. Economies of Scale: The Boards, including the Independent Board Members, considered the extent to which economies of scale might be realized as the assets of each Fund increase. The Boards also considered the extent to which each Fund benefits from such economies and whether there should be changes in the advisory fee rate or structure in order to enable each Fund to participate in these economies of scale, for example through the use of breakpoints in the advisory fee based upon the asset level of each Fund.

The Boards noted that most closed-end fund complexes do not have fund level breakpoints because closed-end funds generally do not experience substantial growth after the initial public offering and each fund is managed independently consistent with its own investment objectives. The Boards noted that only one closed-end fund in the Fund Complex has

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Disclosure of Investment Advisory Agreements and Sub-Advisory Agreements (concluded)

breakpoints in its fee structure. Information provided by Lipper also revealed that only one closed-end fund complex with total closed-end fund nets assets exceeding \$10 billion, as of December 31, 2009, used a complex level breakpoint structure.

E. Other Factors Deemed Relevant by the Board Members: The Boards, including the Independent Board Members, also took into account other ancillary or fall-out benefits that BlackRock or its affiliates and significant shareholders may derive from their respective relationships with the Funds, both tangible and intangible, such as BlackRock's ability to leverage its investment professionals who manage other portfolios, an increase in BlackRock's profile in the investment advisory community, and the engagement of BlackRock's affiliates and significant shareholders as service providers to the Funds, including for administrative and distribution services. The Boards also considered BlackRock's overall operations and its efforts to expand the scale of, and improve the quality of, its operations. The Boards also noted that BlackRock may use and benefit from third party research obtained by soft dollars generated by certain mutual fund transactions to assist in managing all or a number of its other client accounts. The Boards further noted that BlackRock completed the acquisition of a complex of exchange-traded funds (ETFs) on December 1, 2009, and that BlackRock's funds may invest in such ETFs without any offset against the management fees payable by the funds to BlackRock.

In connection with its consideration of the Agreements, the Boards also received information regarding BlackRock's brokerage and soft dollar practices. The Boards received reports from BlackRock which included information on brokerage commissions and trade execution practices throughout the year.

The Boards noted the competitive nature of the closed-end fund marketplace, and that shareholders are able to sell their respective Fund shares in the secondary market if they believe that the Fund's fees and expenses are too high or if they are dissatisfied with the performance of the Fund.

Conclusion

Each Board, including its Independent Board Members, unanimously approved the continuation of the Advisory Agreement between the Manager and its respective Fund for a one-year term ending June 30, 2011 and the Sub-Advisory Agreement between the Manager and the Sub-Advisor, with respect to its respective Fund, for a one-year term ending June 30, 2011. As part of its approval, each Board considered the discussions of BlackRock's fee structure, as it applies to its respective Fund, being conducted by the ad hoc Joint Product Pricing Committee. Based upon its

evaluation of all of the aforementioned factors in their totality, each Board, including its Independent Board Members, was satisfied that the terms of the Agreements were fair and reasonable and in the best interest of its respective Fund and its shareholders. In arriving at a decision to approve the Agreements, none of the Boards identified any single factor or group of factors as all-important or controlling, but considered all factors together, and different Board Members may have attributed different weights to the

various factors considered. The Independent Board Members were also assisted by the advice of independent legal counsel in making this determination. The contractual fee arrangements for each Fund reflect the results of several years of review by the Board Members and predecessor Board Members, and discussions between such Board Members (and predecessor Board Members) and BlackRock. Certain aspects of the arrangements may be the subject of more attention in some years than in others, and the Board Members' conclusions may be based in part on their consideration of these arrangements in prior years.

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Officers and Trustees

Richard E. Cavanagh, Chairman of the Board and Trustee
Karen P. Robards, Vice Chair of the Board, Chair of the Audit Committee
and Trustee
Richard S. Davis, Trustee
Frank J. Fabozzi, Trustee and Member of the Audit Committee
Kathleen F. Feldstein, Trustee
James T. Flynn, Trustee and Member of the Audit Committee
Henry Gabbay, Trustee
Jerold B. Harris, Trustee

R. Glenn Hubbard, Trustee
W. Carl Kester, Trustee and Member of the Audit Committee

Anne Ackerley, President and Chief Executive Officer
Brendan Kyne, Vice President
Neal Andrews, Chief Financial Officer
Jay Fife, Treasurer
Brian Kindelan, Chief Compliance Officer
Howard Surloff, Secretary

Investment Advisor

BlackRock Advisors, LLC
Wilmington, DE 19809

Sub-Advisor

BlackRock Financial Management, Inc.
New York, NY 10022

Custodian

State Street Bank and Trust Company
Boston, MA 02111

Transfer Agent

Common Shares:

Computershare Trust Company, N.A.
Providence, RI 02940

Auction Agent

Preferred Shares:

The Bank of New York Mellon
New York, NY 10286

Accounting Agent

State Street Bank and Trust Company
Princeton, NJ 08540

Independent Registered Public Accounting Firm

Deloitte & Touche LLP
Princeton, NJ 08540

Legal Counsel

Skadden, Arps, Slate, Meagher & Flom LLP
New York, NY 10036

Address of the Trusts

100 Bellevue Parkway
Wilmington, DE 19809

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Additional Information

Proxy Results

The Annual Meeting of Shareholders was held on September 2, 2010 for shareholders of record on July 6, 2010, to elect trustee nominees for each Trust.

There were no broker non-votes with regard to any non-routine matter for any of the Trusts.

Below are the results with respect to each nominee, who will continue to serve as Trustee for each of the Trusts:

| | Richard E. Cavanagh | | | Kathleen F. Feldstein | | | Henry Gabbay | | | Jerrold B. Harris | | |
|-----|---------------------|-----------|---------|-----------------------|-----------|---------|--------------|-----------|---------|-------------------|-----------|---------|
| | Votes | | | Votes | | | Votes | | | Votes | | |
| | Votes For | Withheld | Abstain | Votes For | Withheld | Abstain | Votes For | Withheld | Abstain | Votes For | Withheld | Abstain |
| BKN | 15,451,334 | 303,107 | 0 | 15,443,225 | 311,216 | 0 | 15,427,293 | 327,148 | 0 | 15,416,348 | 338,093 | 0 |
| BTA | 10,631,790 | 471,565 | 0 | 10,611,700 | 491,655 | 0 | 10,630,254 | 473,101 | 0 | 10,611,700 | 491,655 | 0 |
| BKK | 19,001,550 | 520,242 | 0 | 18,964,093 | 557,699 | 0 | 18,965,132 | 556,660 | 0 | 18,982,276 | 539,516 | 0 |
| BFK | 39,079,825 | 1,060,092 | 0 | 39,032,612 | 1,107,305 | 0 | 39,070,296 | 1,069,621 | 0 | 39,076,298 | 1,063,619 | 0 |
| BPS | 1,860,659 | 45,742 | 0 | 1,857,007 | 49,394 | 0 | 1,862,790 | 43,611 | 0 | 1,863,190 | 43,211 | 0 |
| BSD | 6,071,847 | 318,339 | 0 | 6,056,618 | 333,568 | 0 | 6,076,276 | 313,910 | 0 | 6,062,986 | 327,200 | 0 |

For the Trusts listed above, Trustees whose term of office continued after the Annual Meeting of Shareholders because they were not up for election are Richard S. Davis, Frank J.

Fabozzi, James T. Flynn, R. Glenn Hubbard, W. Carl Kester and Karen P. Robards.

Dividend Policy

The Trusts' dividend policy is to distribute all or a portion of their net investment income to its shareholders on a monthly basis. In order to provide shareholders with a more stable level of dividend distributions, the Trusts may at times pay out less than the entire amount of net investment income earned in any particular month and may at times in any particular month pay out such accumulated but undistributed income in addition to net

investment income earned in that month. As a result, the dividends paid by the Trusts for any particular month may be more or less than the amount of net investment income earned by the Trusts during such month. The Trusts' current accumulated but undistributed net investment income, if any, is disclosed in the Statements of Assets and Liabilities, which comprises part of the financial information included in this report.

General Information

On July 29, 2010, the Manager announced that a derivative complaint had been filed by shareholders of BSD and BFK in the Supreme Court of the State of New York, New York County on July 27, 2010. The complaint

names the Manager, BlackRock, Inc. and certain of the trustees, officers and portfolio managers of BSD and BFK (collectively, the Defendants) as defendants. The complaint alleges, among other things, that the Defendants breached fiduciary duties owed to BSD and BFK and each of their Common Shareholders by redeeming Preferred Shares at their liquidation preference. The complaint seeks unspecified damages for losses purportedly suffered by BSD and BFK as a result of the prior redemptions and injunctive relief preventing BSD and BFK from redeeming Preferred Shares at their liquidation preference in the future. The Defendants believe that the claims asserted in the complaint are without merit and intend to vigorously defend themselves in the litigation.

Electronic Delivery

Electronic copies of most financial reports are available on the Trusts websites or shareholders can sign up for e-mail notifications of quarterly statements, annual and semi-annual reports by enrolling in the Trusts electronic delivery program.

Shareholders Who Hold Accounts with Investment Advisors, Banks or Brokerages:

Please contact your financial advisor to enroll. Please note that not all investment advisors, banks or brokerages may offer this service.

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Additional Information (concluded)

General Information (concluded)

Householding

The Trusts will mail only one copy of shareholder documents, including annual and semi-annual reports and proxy statements, to shareholders with multiple accounts at the same address. This practice is commonly called "householding" and is intended to reduce expenses and eliminate duplicate mailings of shareholder documents. Mailings of your shareholder documents may be householded indefinitely unless you instruct us otherwise. If you do not want the mailing of these documents to be combined with those for other members of your household, please call (800) 441-7762.

Availability of Quarterly Portfolio Schedule of Investments

Each Trust files its complete schedule of portfolio holdings with the Securities and Exchange Commission (SEC) for the first and third quarters of each fiscal year on Form N-Q. The Trusts' Forms N-Q are available on the SEC's website at <http://www.sec.gov> and may also be reviewed and copied at the SEC's Public Reference Room in Washington, DC. Information on the operation of the Public Reference Room may be obtained by calling (800) SEC-0330. Each Trust's Forms N-Q may also be obtained upon request and without charge by calling (800) 441-7762.

Availability of Proxy Voting Policies and Procedures

A description of the policies and procedures that the Trusts use to determine how to vote proxies relating to portfolio securities is available (1) without charge, upon request, by calling (800) 441-7762; (2) at <http://www.blackrock.com>; and (3) on the SEC's website at <http://www.sec.gov>.

Availability of Proxy Voting Record

Information about how the Trusts voted proxies relating to securities held in the Trusts' portfolios during the most recent 12-month period ended June 30 is available upon request and without charge (1) at <http://www.blackrock.com> or by calling (800) 441-7762 and (2) on the SEC's website at <http://www.sec.gov>.

Availability of Trust Updates

BlackRock will update performance and certain other data for the Trusts on a monthly basis on its website in the "Closed-end Funds" section of <http://www.blackrock.com>. Investors and others are advised to periodically

check the website for updated performance information and the release of other material information about the Trusts.

BlackRock Privacy Principles

BlackRock is committed to maintaining the privacy of its current and former fund investors and individual clients (collectively, Clients) and to safeguarding their non-public personal information. The following information is provided to help you understand what personal information BlackRock collects, how we protect that information and why in certain cases we share such information with select parties.

If you are located in a jurisdiction where specific laws, rules or regulations require BlackRock to provide you with additional or different privacy-related rights beyond what is set forth below, then BlackRock will comply with those specific laws, rules or regulations.

BlackRock obtains or verifies personal non-public information from and about you from different sources, including the following: (i) information we receive from you or, if applicable, your financial intermediary, on applications, forms or other documents; (ii) information about your transactions with us, our affiliates, or others; (iii) information we receive from a consumer reporting agency; and (iv) from visits to our websites.

BlackRock does not sell or disclose to non-affiliated third parties any non-public personal information about its Clients, except as permitted by law or as is necessary to respond to regulatory requests or to service Client accounts. These non-affiliated third parties are required to protect the confidentiality and security of this information and to use it only for its intended purpose.

We may share information with our affiliates to service your account or to provide you with information about other BlackRock products or services that may be of interest to you. In addition, BlackRock restricts access to non-public personal information about its Clients to those BlackRock employees with a legitimate business need for the information. BlackRock maintains physical, electronic and procedural safeguards that are designed to protect the non-public personal information of its Clients, including procedures relating to the proper storage and disposal of such information.

58 SEMI-ANNUAL REPORT

OCTOBER 31, 2010

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This report is transmitted to shareholders only. It is not a prospectus. Past performance results shown in this report should not be considered a

representation of future performance. Certain Trusts have leveraged their Common Shares, which creates risks for Common Shareholders, including

the likelihood of greater volatility of net asset value and market price of the Common Shares and the risk that fluctuations in the short-term dividend

rates of the Preferred Shares, currently set at the maximum reset rate as a result of failed auctions, may reduce the Common Shares yield.

Statements and other information herein are as dated and are subject to change.

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Item 2 Code of Ethics Not Applicable to this semi-annual report

Item 3 Audit Committee Financial Expert Not Applicable to this semi-annual report

Item 4 Principal Accountant Fees and Services Not Applicable to this semi-annual report

Item 5 Audit Committee of Listed Registrants Not Applicable to this semi-annual report

Item 6 Investments

(a) The registrant's Schedule of Investments is included as part of the Report to Stockholders filed under Item 1 of this form.

(b) Not Applicable due to no such divestments during the semi-annual period covered since the previous Form N-CSR filing.

Item 7 Disclosure of Proxy Voting Policies and Procedures for Closed-End Management Investment Companies Not Applicable to this semi-annual report

Item 8 Portfolio Managers of Closed-End Management Investment Companies Not Applicable to this semi-annual report

Item 9 Purchases of Equity Securities by Closed-End Management Investment Company and Affiliated Purchasers Not Applicable

Item 10 Submission of Matters to a Vote of Security Holders On October 25, 2010, the Board of Trustees of the Fund amended and restated in its entirety the bylaws of the Fund (the "Amended and Restated Bylaws"). The Amended and Restated Bylaws were deemed effective as of October 28, 2010 and set forth, among other things, the processes and procedures that shareholders of the Fund must follow, and specifies additional information that shareholders of the Fund must provide, when proposing trustee nominations at any annual meeting or special meeting in lieu of an annual meeting or other business to be considered at an annual meeting or special meeting.

Item 11 Controls and Procedures

11(a) The registrant's principal executive and principal financial officers or persons performing similar functions have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940, as amended (the "1940 Act")) are effective as of a date within 90 days of the filing of this report based on the evaluation of these controls and procedures required by Rule 30a-3(b) under the 1940 Act and Rule 13a-15(b) under the Securities Exchange Act of 1934, as amended.

11(b) There were no changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the 1940 Act) that occurred during the second fiscal quarter of the period covered by this report that have materially affected, or are reasonably likely to materially affect, the registrant's internal control over financial reporting.

Item 12 Exhibits attached hereto

12(a)(1) Code of Ethics Not Applicable to this semi-annual report

12(a)(2) Certifications Attached hereto

12(a)(3) Not Applicable

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12(b) Certifications Attached hereto

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

BlackRock Municipal Income Trust

By: /s/ Anne F. Ackerley

Anne F. Ackerley

Chief Executive Officer (principal executive officer) of
BlackRock Municipal Income Trust

Date: December 22, 2010

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

By: /s/ Anne F. Ackerley

Anne F. Ackerley

Chief Executive Officer (principal executive officer) of
BlackRock Municipal Income Trust

Date: December 22, 2010

By: /s/ Neal J. Andrews

Neal J. Andrews

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

Date: December 22, 2010
