

MFS MUNICIPAL INCOME TRUST  
Form N-CSRS  
July 01, 2009  
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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**FORM N-CSR**

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

Investment Company Act file number 811-4841

**MFS MUNICIPAL INCOME TRUST**

(Exact name of registrant as specified in charter)

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

(Address of principal executive offices) (Zip code)

**Susan S. Newton**

**Massachusetts Financial Services Company**

**500 Boylston Street**

**Boston, Massachusetts 02116**

(Name and address of agents for service)

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

Date of fiscal year end: October 31

Date of reporting period: April 30, 2009

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**ITEM 1. REPORTS TO STOCKHOLDERS.**

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Semiannual report

# MFS® Municipal Income Trust

4/30/09

MFM-SEM

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# MFS® Municipal Income Trust

New York Stock Exchange Symbol: **MFM**

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

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## LETTER FROM THE CEO

Dear Shareholders:

The market downturns and economic setbacks of late probably rank among the worst financial declines most of us have experienced. Inevitably, people may be questioning their commitment to investing. Still, it is important to remember that downturns are an inescapable part of the business cycle. Such troughs have been seen before, and if we can use history as a guide, market recoveries typically have followed.

Recent market events have shown the value of certain types of investments. In down markets especially, the benefits that funds offer - diversification, professional management, and transparency of operations - become even more important for investors.

This year, MFS celebrates the 85th anniversary of its flagship fund, Massachusetts Investors Trust. Founded in 1924, Massachusetts Investors Trust was America's first mutual fund. Over the years, MFS has managed money through wars, recessions, and countless boom and bust market cycles. As dire as today's economic climate may seem, experience has taught us the benefits of maintaining a long-term view. No one can predict when the market will fully recover. Still, we remain fully confident that the hallmarks of funds - diversification, professional management, and transparency - can serve long-term investors well through any type of market climate.

Respectfully,

Robert J. Manning

Chief Executive Officer and Chief Investment Officer

MFS Investment Management®

June 15, 2009

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

**Before investing, consider the fund's investment objectives, risks, charges, and expenses. For a prospectus containing this and other information, contact MFS or view online. Read it carefully.**

MFS Fund Distributors, Inc., 500 Boylston Street, Boston, MA 02116

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

Healthcare Revenue Hospitals	32.2%
Healthcare Revenue Long Term Care	9.9%
Universities Colleges	9.4%
Tobacco	5.8%
Tax Assessment	5.1%

**Credit quality of bonds (r)**

AAA	11.4%
AA	6.0%
A	10.6%
BBB	31.8%
BB	7.7%
B	5.3%
CCC	1.2%
C	0.1%
D	0.2%
Not Rated	25.7%

**Portfolio facts**

Average Duration (d)(i)	11.0
Effective Maturity (i)(m)	15.9 yrs.
Average Credit Quality of Rated Securities (long-term) (a)	BBB

(a) The average credit quality of rated securities is based upon a market weighted average of portfolio holdings that are rated by public rating agencies.

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

(i) For purposes of this presentation, the bond component includes accrued interest amounts and may be positively or negatively impacted by the equivalent exposure from any derivative holdings, if applicable.

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

(r) Each security is assigned a rating from Moody's Investors Service. If not rated by Moody's, the rating will be that assigned by Standard & Poor's. Likewise, if not assigned a rating by Standard & Poor's, it will be based on the rating assigned by Fitch, Inc. For those portfolios that hold a security which is not rated by any of the three agencies, the security is considered Not Rated. Holdings in U.S. Treasuries and

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government agency mortgage-backed securities, if any, are included in the AAA -rating category. Percentages are based on the total market value of investments as of 4/30/09.

Percentages are based on net assets, including preferred shares, as of 4/30/09, unless otherwise noted.

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

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# INVESTMENT OBJECTIVE, PRINCIPAL INVESTMENT STRATEGIES AND RISKS OF THE FUND

## **Investment Objective**

The fund's investment objective is to seek high current income exempt from federal income tax, but may also consider capital appreciation. The fund's objective may be changed without shareholder approval.

## **Principal Investment Strategies**

The fund invests, under normal market conditions, at least 80% of its net assets, including assets attributable to preferred shares and borrowings for investment purposes, in municipal bonds (debt securities issued by or on behalf of states, territories, possessions of the United States, District of Columbia, and their political subdivisions, agencies, or instrumentalities, the interest on which is exempt from federal income tax). This policy may not be changed without shareholder approval. Interest from the fund's investments may be subject to the federal alternative minimum tax.

MFS may invest 25% or more of the fund's total assets in municipal instruments that finance similar projects, such as those relating to education, healthcare, housing, utilities, water, or sewers.

MFS may invest up to 100% of the fund's assets in lower quality debt instruments.

MFS may invest a relatively high percentage of the fund's assets in the debt instruments of a single issuer or a small number of issuers.

MFS may use derivatives for different purposes, including to earn income and enhance returns, to increase or decrease exposure to a particular market, to manage or adjust the risk profile of the fund, or as alternatives to direct investments.

MFS uses a bottom-up investment approach in buying and selling investments for the fund. Investments are selected primarily based on fundamental analysis of instruments and their issuers in light of current market, economic, political, and regulatory conditions. Factors considered may include the instrument's credit quality, collateral characteristics, and indenture provisions, and the issuer's management ability, capital structure, leverage, and ability to meet its current obligations. Quantitative analysis of the structure of the instrument and its features may also be considered.

The fund uses leverage through the issuance of preferred shares and/or the creation of tender option bonds, and then investing the proceeds pursuant to its investment strategies. If approved by the fund's Board of Trustees, the fund may use leverage by other methods.

MFS may engage in active and frequent trading in pursuing the fund's principal investment strategies.



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### *Investment Objective, Principal Investment Strategies and Risks of the Fund* continued

In response to market, economic, political, or other conditions, MFS may depart from the fund's principal investment strategies by temporarily investing for defensive purposes.

### **Principal Risks**

The portfolio's yield and share prices change daily based on the credit quality of its investments and changes in interest rates. In general, the value of debt securities will decline when interest rates rise and will increase when interest rates fall. Debt securities with longer maturity dates will generally be subject to greater price fluctuations than those with shorter maturities. Municipal instruments can be volatile and significantly affected by adverse tax or court rulings, legislative or political changes and the financial condition of the issuers and/or insurers of municipal instruments. If the Internal Revenue Service determines an issuer of a municipal security has not complied with applicable tax requirements, interest from the security could become taxable and the security could decline significantly in value. Derivatives can be highly volatile and involve risks in addition to those of the underlying indicator's in whose value the derivative is based. Gains or losses from derivatives can be substantially greater than the derivatives' original cost. Lower quality debt securities involve substantially greater risk of default and their value can decline significantly over time. To the extent that investments are purchased with the issuance of preferred shares, the fund's net asset value will increase or decrease at a greater rate than a comparable unleveraged fund. When you sell your shares, they may be worth more or less than the amount you paid for them. Please see the fund's registration statement for further information regarding these and other risk considerations. A copy of the fund's registration statement on Form N-2 is available on the EDGAR database on the Securities and Exchange Commission's Internet Web site at <http://sec.gov>.

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

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## PORTFOLIO MANAGERS PROFILES

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

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

**Other Notes**

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

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## DIVIDEND REINVESTMENT AND CASH PURCHASE PLAN

The fund offers a Dividend Reinvestment and Cash Purchase Plan (the Plan) that allows common shareholders to reinvest either all of the distributions paid by the fund or only the long-term capital gains. Generally, purchases are made at the market price unless that price exceeds the net asset value (the shares are trading at a premium). If the shares are trading at a premium, purchases will be made at a price of either the net asset value or 95% of the market price, whichever is greater. You can also buy shares on a quarterly basis in any amount \$100 and over. The Plan Agent will purchase shares under the Cash Purchase Plan on the 15th of January, April, July, and October or shortly thereafter.

If shares are registered in your own name, new shareholders will automatically participate in the Plan, unless you have indicated that you do not wish to participate. If shares are in the name of a brokerage firm, bank, or other nominee, you can ask the firm or nominee to participate in the Plan on your behalf. If the nominee does not offer the Plan, you may wish to request that your shares be re-registered in your own name so that you can participate. There is no service charge to reinvest distributions, nor are there brokerage charges for shares issued directly by the fund. However, when shares are bought on the New York Stock Exchange or otherwise on the open market, each participant pays a pro rata share of the transaction expenses, including commissions. Dividends and capital gains distributions are taxable whether received in cash or reinvested in additional shares the automatic reinvestment of distributions does not relieve you of any income tax that may be payable (or required to be withheld) on the distributions.

You may withdraw from the Plan at any time by going to the Plan Agent's website at [www.computershare.com](http://www.computershare.com), by calling 1-800-637-2304 any business day from 9 a.m. to 5 p.m. Eastern time or by writing to the Plan Agent at P.O. Box 43078, Providence, RI 02940-3078. Please have available the name of the fund and your account number. For certain types of registrations, such as corporate accounts, instructions must be submitted in writing. Please call for additional details. When you withdraw from the Plan, you can receive the value of the reinvested shares in one of three ways: your full shares will be held in your account, the Plan Agent will sell your shares and send the proceeds to you, or you may transfer your full shares to your investment professional who can hold or sell them. Additionally, the Plan Agent will sell your fractional shares and send the proceeds to you.

If you have any questions or for further information or a copy of the Plan, contact the Plan Agent Computershare Trust Company, N.A. (the Transfer Agent for the fund) at 1-800-637-2304, at the Plan Agent's website at [www.computershare.com](http://www.computershare.com), or by writing to the Plan Agent at P.O. Box 43078, Providence, RI 02940-3078.

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*Dividend Reinvestment and Cash Purchase Plan continued*

The following changes in the Plan will take effect on September 1, 2009:

When dividend reinvestment is being made through purchases in the open market, such purchases will be made on or shortly after the payment date for such distribution (except where temporary limits on purchases are legally required) and in no event more than 15 days thereafter (instead of 45 days as previously specified).

In an instance where the Plan Agent either cannot invest the full amount of the distribution through open market purchases or the fund's shares are no longer selling at a discount to the current net asset value per share, the fund will supplementally issue additional shares at the greater of net asset value per share or 95% of the current market value price per share calculated on the date that such request is made (instead of the distribution date net asset value as previously specified). This price may be greater or lesser than the fund's net asset value per share on the distribution payment date.

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

4/30/09 (unaudited)

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

**Municipal Bonds - 152.2%**

<b>Issuer</b>	<b>Shares/Par</b>	<b>Value (\$)</b>
<b>Airport &amp; Port Revenue - 5.8%</b>		
Branson, MO, Regional Airport Transportation Development District Airport Rev., B, 6%, 2025	\$ 325,000	\$ 215,672
Branson, MO, Regional Airport Transportation Development District Airport Rev., B, 6%, 2037	100,000	60,644
Branson, MO, Regional Airport Transportation Development District Airport Rev., B, 6%, 2037	675,000	390,034
Chicago, IL, O Hare International Airport Rev. (Third Lien Passenger Facility), B, FSA, 5.75%, 2022	3,000,000	3,033,869
Oklahoma City, OK, Airport Trust Rev., FSA, 5.75%, 2016	3,125,000	3,153,905
Port Authority NY & NJ, Special Obligation Rev. (JFK International), MBIA, 5.75%, 2022	7,000,000	6,076,419
		\$ 12,930,543
<b>General Obligations - General Purpose - 0.4%</b>		
Luzerne County, PA, FSA, 6.75%, 2023	\$ 875,000	\$ 870,204
<b>General Obligations - Schools - 1.5%</b>		
Beverly Hills, CA, Unified School District (Election of 2008), 0%, 2031	\$ 525,000	\$ 151,409
DeSoto, TX, Independent School District, School Building, PSF, 0%, 2031	555,000	165,711
DeSoto, TX, Independent School District, School Building, PSF, 0%, 2034	415,000	102,990
DeSoto, TX, Independent School District, School Building, PSF, 0%, 2036	555,000	122,698
Kane Kendall County, IL, Capital Appreciation, E, FGIC, 0%, 2023	1,945,000	930,545
Kane Kendall County, IL, Capital Appreciation, E, FGIC, 0%, 2025	1,915,000	791,546
Los Angeles, CA, Unified School District, D, 5%, 2034	180,000	172,366
Royse City, TX, Independent School District, School Building, PSF, 0%, 2027	955,000	373,682
Royse City, TX, Independent School District, School Building, PSF, 0%, 2029	965,000	330,146
Santa Clarita Community College District, CA, Election 2006, MBIA, 0%, 2030	595,000	156,788
		\$ 3,297,881

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

<b>Issuer</b>	<b>Shares/Par</b>	<b>Value (\$)</b>
<b>Municipal Bonds - continued</b>		
<b>Healthcare Revenue - Hospitals - 47.7%</b>		
Alexander City, AL, Special Care Facilities Financing Authority Medical Facilities Rev., A (Russell Hospital Corp.), 5.75%, 2036	\$ 600,000	\$ 376,674
Allegheny County, PA, Hospital Development Authority Rev. (South Hills Health Systems), B, 6.75%, 2010 (c)	500,000	527,300
Allegheny County, PA, Hospital Development Authority Rev. (West Penn Allegheny Health), 9.25%, 2010 (c)	2,000,000	2,289,600
Allegheny County, PA, Hospital Development Authority Rev. (West Penn Allegheny Health), A, 5%, 2028	1,905,000	1,037,368
Allegheny County, PA, Hospital Development Authority Rev. (West Penn Allegheny Health), A, 5.375%, 2040	1,055,000	553,326
Allegheny County, PA, Hospital Development Authority Rev. (West Penn Allegheny Health), B, 9.25%, 2010 (c)	1,000,000	1,144,800
Arkansas Development Finance Authority Rev. (Washington Regional Medical Center), 7.25%, 2010 (c)	500,000	519,285
Athens County, OH, Hospital Facilities Rev. (O Bleness Memorial Hospital), A, 7.125%, 2033	1,500,000	1,113,405
Birmingham, AL, Baptist Medical Center, Special Care Facilities Rev. (Baptist Health Systems, Inc.), A, 5%, 2030	2,260,000	1,495,826
Brookhaven, NY, Industrial Development Agency Rev. (Memorial Hospital Medical Center, Inc.), A, ETM, 7.75%, 2010 (c)	310,000	320,602
California Statewide Communities Development Authority Rev. (Children s Hospital), 5%, 2047	550,000	330,044
California Statewide Communities Development Authority Rev. (St. Joseph Health System), FGIC, 5.75%, 2047	670,000	625,854
California Statewide Communities Development Authority Rev. (Valleycare Health Systems), A, 5%, 2022	205,000	148,318
California Statewide Communities Development Authority Rev. (Valleycare Health Systems), A, 5.125%, 2031	100,000	62,036
California Valley Health Systems, COP, 6.875%, 2023 (d)	595,000	380,800
Chautauqua County, NY, Industrial Development Agency, Civic Facilities Rev. (Women s Christian Assn.), A, 6.35%, 2017	125,000	113,281
Chautauqua County, NY, Industrial Development Agency, Civic Facilities Rev. (Women s Christian Assn.), A, 6.4%, 2029	955,000	738,969
Chemung County, NY, Civic Facilities Rev. (St. Joseph s Hospital-Elmira), A, 6%, 2013	325,000	263,903
Chemung County, NY, Civic Facilities Rev. (St. Joseph s Hospital-Elmira), B, 6.35%, 2013	105,000	85,251
Chester County, PA, Health & Educational Facilities Rev. (Chester County Hospital), 6.75%, 2021	1,625,000	1,468,594
Citrus County, FL, Hospital Development Authority Rev. (Citrus Memorial Hospital), 6.25%, 2023	860,000	746,291

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

<b>Issuer</b>	<b>Shares/Par</b>	<b>Value (\$)</b>
<b>Municipal Bonds - continued</b>		
<b>Healthcare Revenue - Hospitals - continued</b>		
Clinton County, MO, Industrial Development Agency, Health Facilities Rev. (Cameron Regional Medical Center), 5%, 2032	\$ 275,000	\$ 170,508
Coffee County, GA, Hospital Authority Rev. (Coffee Regional Medical Center, Inc.), 5%, 2026	40,000	29,198
Colorado Health Facilities Authority Rev. (Parkview Medical Center), 6.6%, 2011 (c)	1,000,000	1,118,870
Colorado Health Facilities Authority Rev. (Portercare Adventist Health Systems), 6.625%, 2011 (c)	675,000	772,814
Crittenden County, AR, Hospital Rev., 7%, 2010 (c)	1,030,000	1,111,864
Cuyahoga County, OH, Hospital Facilities Rev. (Canton, Inc.), 7.5%, 2030	1,330,000	1,208,505
Douglas County, NE, Hospital Authority Rev. (Methodist Health Partners), 5.75%, 2048	715,000	607,943
Fruita, CO, Rev. (Family Health West Project), 8%, 2043	1,310,000	1,131,683
Garden City, MI, Hospital Finance Authority Rev. (Garden City Hospital), A, 4.875%, 2027	1,275,000	799,247
Gaylord, MI, Hospital Finance Authority Rev. (Otsego Memorial Hospital), 6.2%, 2025	250,000	195,283
Gaylord, MI, Hospital Finance Authority Rev. (Otsego Memorial Hospital), 6.5%, 2031	295,000	221,825
Genesee County, NY, Industrial Development Agency Civic Facility Rev. (United Memorial Medical Center), 5%, 2027	170,000	102,887
Glendale, AZ, Industrial Development Authority (John C. Lincoln Health), 5%, 2042	755,000	556,865
Grand Forks, ND, Health Care Authority Rev. (Altru Health Systems Obligated Group), 7.125%, 2010 (c)	755,000	822,739
Gulfport, MS, Hospital Facilities Rev. (Memorial Hospital), 5.75%, 2031	725,000	653,812
Harris County, TX, Health Facilities Development Corp., Hospital Rev. (Memorial Hermann Healthcare Systems), B, 7.25%, 2035	610,000	647,991
Illinois Finance Authority Rev. (Kewanee Hospital), 5.1%, 2031	400,000	249,660
Indiana Health & Educational Facilities Authority, Hospital Rev. (Community Foundation of Northwest Indiana), 5.5%, 2037	2,220,000	1,718,835
Indiana Health & Educational Facilities Authority, Hospital Rev. (Community Foundation of Northwest Indiana), A, 6.375%, 2011 (c)	3,025,000	3,364,829
Indiana Health & Educational Facilities Authority, Hospital Rev. (Community Foundation of Northwest Indiana), A, 6.375%, 2031	965,000	860,635
Indiana Health & Educational Facilities Authority, Hospital Rev. (Riverview Hospital), 6.125%, 2031	1,000,000	836,200
Indiana Health & Educational Facilities Finance Authority, Hospital Rev. (Clarian Health), A, 5%, 2039	1,000,000	758,180

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

<b>Issuer</b>	<b>Shares/Par</b>	<b>Value (\$)</b>
<b>Municipal Bonds - continued</b>		
Healthcare Revenue - Hospitals - continued		
Indiana Health & Educational Facilities Financing Authority Rev. (Sisters of St. Francis Health Services, Inc.), E , FSA, 5.25%, 2041	\$ 155,000	\$ 147,847
Johnson City, TN, Health & Educational Facilities Board Hospital Rev. (Mountain States Health), A , 5.5%, 2036	660,000	514,028
Joplin, MO, Industrial Development Authority Health Facilities Rev. (Freeman Health Systems), 5.5%, 2029	440,000	350,346
Joplin, MO, Industrial Development Authority Health Facilities Rev. (Freeman Health Systems), 5.75%, 2035	475,000	375,773
Kentucky Economic Development Finance Authority (Norton Healthcare), A , 6.5%, 2010 (c)	1,965,000	2,131,043
Kentucky Economic Development Finance Authority (Norton Healthcare), A , 6.5%, 2020	3,035,000	3,054,819
Knox County, TN, Health, Educational, Hospital & Housing Facilities Board Rev. (Baptist Health Systems), 6.5%, 2031	1,725,000	1,769,643
Lauderdale County & Florence, AL, Health Care Authority Rev. (Coffee Health Group), MBIA, 5.625%, 2021	3,000,000	2,770,800
Louisiana Public Facilities Authority Hospital Rev. (Lake Charles Memorial Hospital), 6.375%, 2034	1,525,000	1,157,262
Lufkin, TX, Health Facilities Development Corp. Rev. (Memorial Health System), 5.5%, 2032	110,000	78,093
Lufkin, TX, Health Facilities Development Corp. Rev. (Memorial Health System), 5.5%, 2037	110,000	75,697
Macomb County, MI, Hospital Finance Authority Rev. (Mount Clemens General Hospital), 5.875%, 2013 (c)	435,000	513,404
Maryland Health & Higher Educational Facilities Authority Rev. (Medstar Health), 5.5%, 2033	380,000	357,006
Maryland Health & Higher Educational Facilities Authority Rev. (Mercy Medical Center), A , 5.5%, 2042	1,070,000	812,505
Maryland Health & Higher Educational Facilities Authority Rev. (North Arundel Hospital), 6.5%, 2010 (c)	1,500,000	1,614,270
Maryland Health & Higher Educational Facilities Authority Rev. (Washington County Hospital), 6%, 2043	285,000	229,553
Massachusetts Health & Educational Facilities Authority Rev. (Berkshire Health Systems), E , 6.25%, 2031	1,900,000	1,651,366
Massachusetts Health & Educational Facilities Authority Rev. (Caritas Christi), A , 5.7%, 2015	500,000	483,110
Massachusetts Health & Educational Facilities Authority Rev. (Jordan Hospital), D , 5.25%, 2018	1,400,000	1,061,844
Massachusetts Health & Educational Facilities Authority Rev. (Quincy Medical Center), A , 6.5%, 2038	640,000	439,546
Massachusetts Health & Educational Facilities Authority Rev. (Saints Memorial Medical Center), A , 6%, 2023	280,000	191,411

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

<b>Issuer</b>	<b>Shares/Par</b>	<b>Value (\$)</b>
<b>Municipal Bonds - continued</b>		
Healthcare Revenue - Hospitals - continued		
Miami Beach, FL, Health Facilities Authority Rev. (Mount Sinai Medical Center), 6.75%, 2029	\$ 810,000	\$ 529,408
Miami Beach, FL, Health Facilities Authority Rev. (Mount Sinai Medical Center), A, 6.7%, 2019	995,000	766,399
Monroe County, MI, Hospital Finance Authority, Hospital Rev. (Mercy Memorial Hospital Corp.), 5.5%, 2035	1,020,000	661,776
Monroe County, NY, Industrial Development Agency, Civic Facilities Rev. (Highland Hospital of Rochester), 5%, 2025	65,000	54,384
Montgomery, AL, Medical Clinic Board Health Care Facility Rev. (Jackson Hospital & Clinic), 5.25%, 2031	225,000	165,827
Montgomery, AL, Medical Clinic Board Health Care Facility Rev. (Jackson Hospital & Clinic), 5.25%, 2036	1,135,000	809,516
Mount Lebanon, PA, Hospital Authority Rev. (St. Clair Memorial Hospital), 5.625%, 2032	435,000	381,582
Nassau County, NY, Industrial Development Agency, Civic Facilities Rev. (North Shore Health System), 5.625%, 2010	265,000	268,609
Nassau County, NY, Industrial Development Agency, Civic Facilities Rev. (North Shore Health System), 5.875%, 2011	260,000	270,309
New Hampshire Health & Education Facilities Authority Rev. (Covenant Health System), 6.5%, 2012 (c)	440,000	498,436
New Hampshire Health & Education Facilities Authority Rev. (Covenant Health System), 6.5%, 2017	265,000	276,803
New Hampshire Health & Educational Facilities Authority Rev. (Catholic Medical Center), A, 6.125%, 2012 (c)	880,000	1,015,423
New Hampshire Health & Educational Facilities Authority Rev. (Catholic Medical Center), A, 6.125%, 2032	120,000	97,398
New Jersey Health Care Facilities, Financing Authority Rev. (St. Peter's University Hospital), 5.75%, 2037	1,010,000	770,600
New Jersey Health Care Facilities, Financing Authority Rev. (St. Peter's University Hospital), A, 6.875%, 2030	3,000,000	2,720,040
New Mexico State Hospital Equipment Loan Council, Hospital Rev. (Rehoboth McKinley Christian Hospital), A, 5%, 2017	100,000	79,178
New Mexico State Hospital Equipment Loan Council, Hospital Rev. (Rehoboth McKinley Christian Hospital), A, 5.25%, 2026	440,000	295,794
New York Dormitory Authority Rev. (NYU Hospital Center), B, 5.25%, 2024	450,000	369,441
New York Dormitory Authority Rev. (NYU Hospital Center), B, 5.625%, 2037	560,000	427,011
New York, NY, Industrial Development Agency, Civic Facilities Rev. (Staten Island University Hospital), A, 6.375%, 2031	475,000	366,472
Norman, OK, Regional Hospital Authority Rev., 5.375%, 2036	1,395,000	864,495

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*Portfolio of Investments (unaudited) continued*

<b>Issuer</b>	<b>Shares/Par</b>	<b>Value (\$)</b>
<b>Municipal Bonds - continued</b>		
Healthcare Revenue - Hospitals - continued		
Ohio County, WV, County Commission Health System Rev. (Ohio Valley Medical Center), 5.75%, 2013	\$ 650,000	\$ 607,068
Ohio Higher Educational Facility Commission Rev. (University Hospital Health System), 6.75%, 2039	1,610,000	1,615,780
Oklahoma Development Finance Authority Rev. (Comanche County Hospital), B, 6.6%, 2031	1,665,000	1,367,032
Olympia, WA, Healthcare Facilities Authority Rev. (Catholic Health Initiatives), D, 6.375%, 2036	1,500,000	1,618,170
Philadelphia, PA, Hospitals & Higher Education Facilities Authority Rev. (Temple University Health System), A, 5.5%, 2030	590,000	437,756
Philadelphia, PA, Hospitals & Higher Educational Facilities Rev. (Temple University Health System), A, 6.625%, 2023	765,000	696,915
Rhode Island Health & Educational Building Corp., Hospital Financing (Lifespan Obligated Group), 6.375%, 2012 (c)	1,560,000	1,763,627
Rhode Island Health & Educational Building Corp., Hospital Financing (Lifespan Obligated Group), 6.5%, 2012 (c)	505,000	583,169
Royal Oak, MI, Hospital Finance Authority Rev. (William Beaumont Hospital), 8.25%, 2039	1,595,000	1,767,978
Royston, GA, Hospital Authority Rev. (Ty Cobb Healthcare Systems, Inc.), 6.375%, 2014	955,000	914,336
Salida, CO, Hospital District Rev., 5.25%, 2036	1,675,000	991,801
Salt Lake City, UT, Hospital Authority Rev. (Intermountain Health Care), INFLOS, ETM, AMBAC, 12.548%, 2020 (c)(p)	600,000	601,608
Shelby County, TN, Educational & Hospital Facilities Board Hospital Rev. (Methodist Healthcare), 6.375%, 2012 (c)	625,000	717,225
Shelby County, TN, Educational & Housing Facilities Board Hospital Rev. (Methodist Healthcare), 6.25%, 2012 (c)	315,000	360,218
Shelby County, TN, Educational & Housing Facilities Board Hospital Rev. (Methodist Healthcare), 6.25%, 2012 (c)	185,000	211,557
Shelby County, TN, Educational & Housing Facilities Board Hospital Rev. (Methodist Healthcare), 6.375%, 2012 (c)	375,000	430,335
Skagit County, WA, Public Hospital District No. 001 Rev. (Skagit Valley Hospital), 5.375%, 2022	1,455,000	1,205,264
Skagit County, WA, Public Hospital District No. 001 Rev. (Skagit Valley Hospital), 6%, 2023	205,000	178,500
Skagit County, WA, Public Hospital District No. 001 Rev. (Skagit Valley Hospital), 5.75%, 2032	165,000	126,311
South Carolina Jobs & Economic Development Authority (Bon Secours - St. Francis Medical Center, Inc.), 5.625%, 2030	560,000	493,618
South Carolina Jobs & Economic Development Authority, Hospital Facilities Rev. (Palmetto Health Alliance), 6.25%, 2031	835,000	738,332
South Dakota Health & Education Facilities Authority Rev. (Prairie Lakes Health Care System), 5.625%, 2032	670,000	586,196

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

<b>Issuer</b>	<b>Shares/Par</b>	<b>Value (\$)</b>
<b>Municipal Bonds - continued</b>		
Healthcare Revenue - Hospitals - continued		
Southwestern, IL, Development Authority Rev. (Anderson Hospital), 5.5%, 2020	\$ 60,000	\$ 51,582
Southwestern, IL, Development Authority Rev. (Anderson Hospital), 5.625%, 2029	870,000	692,859
St. Paul, MN, Housing & Redevelopment Hospital (Healthpartners Obligated Group), 5.25%, 2036	1,085,000	843,023
Steubenville, OH, Hospital Authority Rev. (Trinity Health Center), 6.5%, 2010 (c)	1,300,000	1,403,727
Sullivan County, TN, Health, Educational & Housing Facilities Board Hospital Rev. (Wellmont Health Systems Project), C, 5.25%, 2036	1,115,000	627,199
Tallahassee, FL, Health Facilities Rev. (Tallahassee Memorial Healthcare), 6.25%, 2020	3,085,000	2,796,583
Texas Metro Health Facilities Development Corp., Metro Health Facilities Development Rev. (Wilson N. Jones Memorial Hospital), 7.2%, 2021	700,000	598,374
Texas Metro Health Facilities Development Corp., Metro Health Facilities Development Rev. (Wilson N. Jones Memorial Hospital), 7.25%, 2031	1,000,000	799,300
Tom Green County, TX, Health Facilities Rev. (Shannon Health System), 6.75%, 2021	1,250,000	1,193,625
Tyler, TX, Health Facilities Development Corp. (East Texas Medical Center), A, 5.25%, 2032	985,000	693,667
Tyler, TX, Health Facilities Development Corp. (East Texas Medical Center), A, 5.375%, 2037	810,000	563,857
Upper Illinois River Valley Development, Health Facilities Rev. (Morris Hospital), 6.625%, 2031	600,000	533,154
Valley, AL, Special Care Facilities, Financing Authority Rev. (Lanier Memorial Hospital), 5.6%, 2016	600,000	514,566
Vigo County, IN, Hospital Authority Rev. (Union Hospital), 5.75%, 2042	220,000	143,948
Vigo County, IN, Hospital Authority Rev. (Union Hospital), 5.8%, 2047	1,035,000	671,912
Wapello County, IA, Hospital Authority Rev. (Ottumwa Regional Health Center), 6.375%, 2012 (c)	1,500,000	1,726,740
Washington Health Care Facilities Authority Rev. (Mason Medical), A, 6.25%, 2042	1,400,000	1,106,742
Weirton, WV, Municipal Hospital Building, Commission Rev. (Weirton Hospital Medical Center), 6.375%, 2031	1,115,000	940,190
Weslaco, TX, Health Facilities Rev. (Knapp Medical Center), 6.25%, 2012 (c)	1,000,000	1,123,150
West Contra Costa, CA, Healthcare District, AMBAC, 5.5%, 2029	195,000	185,638

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*Portfolio of Investments (unaudited) continued*

Issuer	Shares/Par	Value (\$)
<b>Municipal Bonds - continued</b>		
Healthcare Revenue - Hospitals - continued		
West Plains, MO, Industrial Development Authority Rev. (Ozarks Medical Center), 6.75%, 2024	\$ 170,000	\$ 143,188
West Shore, PA, Hospital Authority Rev. (Holy Spirit Hospital), 6.2%, 2026	1,250,000	1,081,825
West Virginia Hospital Finance Authority, Hospital Rev. (Thomas Health System), 6.5%, 2038	905,000	687,167
Wichita, KS, Hospital Authority Rev. (Via Christi Health System), 6.25%, 2020	1,500,000	1,558,305
Wisconsin Health & Educational Facilities Authority Rev. (Aurora Health Care, Inc.), 6.875%, 2030	1,000,000	946,510
Wisconsin Health & Educational Facilities Authority Rev. (Wheaton Franciscan Healthcare), 5.25%, 2034	1,135,000	730,509
Wisconsin Health & Educational Facilities Authority Rev. (Wheaton Franciscan Services), A, 5.25%, 2025	745,000	538,724
Yonkers, NY, Industrial Development Agency, Civic Facilities Rev. (St. John s Riverside Hospital), 6.8%, 2016	565,000	488,296
Yonkers, NY, Industrial Development Agency, Civic Facilities Rev. (St. Joseph s Hospital), C, 6.2%, 2020	750,000	602,550
		\$ 105,749,873
<b>Healthcare Revenue - Long Term Care - 14.6%</b>		
Abilene, TX, Health Facilities Development Corp., Retirement Facilities Rev. (Sears Methodist Retirement), A, 7%, 2033	\$ 345,000	\$ 245,016
Arizona Health Facilities Authority Rev. (The Terraces Project), 7.75%, 2013 (c)	750,000	941,895
Bell County, TX, Health Facility Development Corp. (Advanced Living Technologies, Inc.), 4% to 2009, 8% to 2036	3,490,000	2,322,002
Bucks County, PA, Industrial Development Authority Retirement Community Rev. (Ann s Choice, Inc.), A, 6.125%, 2025	430,000	316,527
Bucks County, PA, Industrial Development Authority Retirement Community Rev. (Ann s Choice, Inc.), A, 6.25%, 2035	290,000	198,917
Bucks County, PA, Industrial Development Authority Rev. (Lutheran Community Telford Center), 5.75%, 2027	170,000	119,024
Bucks County, PA, Industrial Development Authority Rev. (Lutheran Community Telford Center), 5.75%, 2037	225,000	144,797
Cambria County, PA, Industrial Development Authority Rev. (Beverly Enterprises, Inc.), ETM, 10%, 2012 (c)	280,000	318,819
Chartiers Valley, PA, Industrial & Commercial Development Authority (Asbury Health Center Project), 5.75%, 2022	150,000	117,240
Chester County, PA, Industrial Development Authority Rev. (RHA Nursing Home), 8.5%, 2032	570,000	478,977

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

<b>Issuer</b>	<b>Shares/Par</b>	<b>Value (\$)</b>
<b>Municipal Bonds - continued</b>		
Healthcare Revenue - Long Term Care - continued		
Colorado Health Facilities Authority Rev. (American Baptist Homes), A , 5.9%, 2037	\$ 755,000	\$ 472,622
Colorado Health Facilities Authority Rev. (Christian Living Communities Project), A , 5.75%, 2037	395,000	253,120
Colorado Health Facilities Authority Rev. (Covenant Retirement Communities, Inc.), B , 6.125%, 2033	1,000,000	796,070
Colorado Health Facilities Authority Rev. (Evangelical), 6.9%, 2010 (c)	1,830,000	2,033,093
Colorado Health Facilities Authority Rev. (Evangelical), 6.9%, 2025	1,170,000	1,179,816
Cumberland County, PA, Municipal Authority Rev. (Wesley), A , 7.25%, 2013 (c)	720,000	860,126
Cumberland County, PA, Municipal Authority Rev. (Wesley), A , 7.25%, 2013 (c)	280,000	334,494
Franklin County, OH, Healthcare Facilities Rev. (Ohio Presbyterian), 7.125%, 2011 (c)	1,000,000	1,130,130
Fulton County, GA, Residential Care Facilities (Canterbury Court), A , 6.125%, 2034	330,000	232,003
Fulton County, GA, Residential Care Facilities, (Lenbrook Project), A , 5.125%, 2042	1,750,000	977,813
Georgia Medical Center Hospital Authority Rev. (Spring Harbor Green Island Project), 5.25%, 2027	1,000,000	704,030
Georgia Medical Center Hospital Authority Rev. (Spring Harbor Green Island Project), 5.25%, 2037	215,000	136,688
Hawaii Department of Budget & Finance, Special Purpose Rev. (Kahala Nui Senior Living Community), 8%, 2033	500,000	454,470
Huntsville-Redstone Village, AL, Special Care Facilities Financing Authority (Redstone Village Project), 5.5%, 2028	590,000	404,079
Huntsville-Redstone Village, AL, Special Care Facilities Financing Authority (Redstone Village Project), 5.5%, 2043	440,000	270,068
Illinois Finance Authority Rev. (Clare at Water Tower), A , 6%, 2025	490,000	275,826
Illinois Finance Authority Rev. (Franciscan Communities, Inc.), A , 5.5%, 2037	800,000	450,840
Illinois Finance Authority Rev. (Friendship Village), A , 5.375%, 2025	1,270,000	803,339
Illinois Finance Authority Rev. (Landing at Plymouth Place), A , 6%, 2037	490,000	321,499
Illinois Finance Authority Rev. (Montgomery Place), A , 5.75%, 2038	520,000	324,132
Illinois Finance Authority Rev., Bond Anticipation Notes (Tallgrass), 13%, 2012	210,000	199,250

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

<b>Issuer</b>	<b>Shares/Par</b>	<b>Value (\$)</b>
<b>Municipal Bonds - continued</b>		
Healthcare Revenue - Long Term Care - continued		
Iowa Finance Authority Senior Housing Authority Rev. (Bethany Life Communities), A , 5.55%, 2041	\$ 230,000	\$ 136,850
Iowa Finance Authority, Health Care Facilities Rev. (Care Initiatives), 9.25%, 2011 (c)	1,105,000	1,310,375
Iowa Finance Authority, Health Care Facilities Rev. (Care Initiatives), A , 5.5%, 2025	800,000	548,784
Iowa Finance Authority, Health Care Facilities Rev. (Care Initiatives), B , 5.75%, 2018	895,000	728,602
James City County, VA, Economic Development (WindsorMeade Project), A , 5.4%, 2027	585,000	360,559
James City County, VA, Economic Development (WindsorMeade Project), A , 5.5%, 2037	940,000	527,180
Lenexa, KS, Health Care Facilities Rev. (Lakeview Village, Inc.), 5.375%, 2027	315,000	210,521
Lenexa, KS, Health Care Facilities Rev. (Lakeview Village, Inc.), C , 6.875%, 2012 (c)(f)	500,000	583,550
Massachusetts Development Finance Agency Rev. (Adventcare), A , 6.75%, 2037	1,270,000	899,744
Massachusetts Development Finance Agency Rev. (Linden Ponds, Inc.), A , 5.5%, 2027	340,000	205,802
Massachusetts Development Finance Agency Rev. (Linden Ponds, Inc.), A , 5.75%, 2035	85,000	48,711
Millbrae, CA, Residential Facilities Rev. (Magnolia of Millbrae), A , 7.375%, 2027	1,765,000	1,517,935
Montgomery County, PA, Higher Education & Health Authority Rev. (AHF/Montgomery), 6.875%, 2036	1,195,000	863,650
Montgomery County, PA, Industrial Development Authority Rev. (Whitemarsh Continuing Care), 6.125%, 2028	250,000	149,013
Montgomery County, PA, Industrial Development Authority Rev. (Whitemarsh Continuing Care), 6.25%, 2035	510,000	288,354
New Jersey Economic Development Authority Rev. (Lions Gate), A , 5.875%, 2037	530,000	371,143
New Jersey Economic Development Authority Rev. (Seabrook Village, Inc.), 5.25%, 2036	715,000	411,575
New Jersey Health Care Facilities Financing Authority Rev. (Cherry Hill), 8%, 2027	1,000,000	751,090
Norfolk, VA, Redevelopment & Housing Authority Rev. (Fort Norfolk Retirement Community), A , 6%, 2025	125,000	98,296
Norfolk, VA, Redevelopment & Housing Authority Rev. (Fort Norfolk Retirement Community), A , 6.125%, 2035	110,000	79,530
Orange County, FL, Health Facilities Authority Rev. (Orlando Lutheran Tower), 5.5%, 2038	320,000	190,954

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

<b>Issuer</b>	<b>Shares/Par</b>	<b>Value (\$)</b>
<b>Municipal Bonds - continued</b>		
Healthcare Revenue - Long Term Care - continued		
Sarasota County, FL, Health Facility Authority Rev. (Sarasota Manatee), 5.75%, 2037	\$ 490,000	\$ 326,399
Sarasota County, FL, Health Facility Authority Rev. (Sarasota Manatee), 5.75%, 2045	105,000	67,729
Scott County, IA, Rev. (Ridgecrest Village), 5.25%, 2027	245,000	159,358
Shelby County, TN, Health, Educational & Housing Facilities Board Rev. (Germantown Village), A , 7.25%, 2034	820,000	625,020
South Carolina Jobs & Economic Development Authority Rev. (Woodlands at Furman), A , 6%, 2027	515,000	333,117
South Carolina Jobs & Economic Development Authority Rev. (Woodlands at Furman), A , 6%, 2042	470,000	271,359
South Carolina Jobs & Economic Development Authority Rev., (Lutheran Homes of South Carolina), 5.5%, 2028	130,000	88,589
South Carolina Jobs & Economic Development Authority Rev., (Lutheran Homes of South Carolina), 5.625%, 2042	150,000	96,078
Sterling, IL (Hoosier Care), 7.125%, 2034	680,000	509,680
Suffolk County, NY, Industrial Development Agency (Medford Hamlet Assisted Living), 6.375%, 2039	500,000	327,715
Travis County, TX, Health Facilities Development Corp., Retirement Facilities Rev. (Querencia Barton Creek), 5.5%, 2025	460,000	303,296
Ulster County, NY, Industrial Development Agency (Woodland Pond), A , 6%, 2037	1,075,000	716,262
Washington Housing Finance Commission Non-profit Rev. (Skyline at First Hill), A , 5.625%, 2027	215,000	138,987
Wisconsin Health & Educational Facilities Board Rev. (All Saints Assisted Living Project), 6%, 2037	340,000	217,053
		\$ 32,279,582
<b>Human Services - 2.9%</b>		
Alaska Industrial Development & Export Authority Community Provider Rev. (Boys & Girls Home of Alaska, Inc.), 5.875%, 2027	\$ 210,000	\$ 135,849
Alaska Industrial Development & Export Authority Community Provider Rev. (Boys & Girls Home of Alaska, Inc.), 6%, 2036	325,000	197,022
Greenville County, SC, Hospital Rev. (Chestnut Hill), A , 8%, 2015	1,660,000	1,511,563
Louisiana Local Government, Environmental Facilities & Community Development Authority Rev. (CDF Healthcare), A , 7%, 2036	500,000	389,650
Louisiana Local Government, Environmental Facilities & Community Development Authority Rev. (CDF Healthcare), C , 7%, 2036	375,000	289,245

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

<b>Issuer</b>	<b>Shares/Par</b>	<b>Value (\$)</b>
<b>Municipal Bonds - continued</b>		
<b>Human Services - continued</b>		
Louisiana Local Government, Environmental Facilities & Community Development Authority Rev. (Westside Rehab Center Project), A, 6.85%, 2036	\$ 1,100,000	\$ 808,071
Louisiana Local Government, Environmental Facilities & Community Development Authority Rev. (Westside Rehab Center Project), B, 6.5%, 2013	115,000	114,226
New York, NY, Industrial Development Agency, Civic Facility Rev. (A Very Special Place), A, 5.75%, 2029	1,000,000	687,570
New York, NY, Industrial Development Agency, Civic Facility Rev. (Special Needs Facilities), 6.5%, 2017	1,030,000	894,555
Orange County, FL, Health Facilities Authority Rev. (GF/Orlando Healthcare Facilities), 8.75%, 2011	285,000	284,504
Orange County, FL, Health Facilities Authority Rev. (GF/Orlando Healthcare Facilities), 9%, 2031	1,000,000	929,630
Osceola County, FL, Industrial Development Authority Rev. (Community Provider), 7.75%, 2017	259,000	241,937
		\$ 6,483,822
<b>Industrial Revenue - Airlines - 6.7%</b>		
Alliance Airport Authority, TX (American Airlines, Inc.), 5.25%, 2029	\$ 660,000	\$ 249,572
Chicago, IL, O'Hare International Airport Special Facilities Rev. (American Airlines, Inc.), 5.5%, 2030	2,390,000	900,456
Dallas Fort Worth, TX, International Airport Facility Improvement Corp. (American Airlines, Inc.), 5.5%, 2030	1,425,000	570,884
Denver, CO, City & County Airport Rev. (United Airlines), 5.25%, 2032	3,735,000	1,920,836
Denver, CO, City & County Airport Rev. (United Airlines), 5.75%, 2032	925,000	475,607
Houston, TX, Airport Systems Rev., Special Facilities (Continental, Inc.), E, 6.75%, 2029	1,810,000	1,245,515
Los Angeles, CA, Regional Airport Lease Rev. (AMR Corp.), C, 7.5%, 2024	850,000	631,992
New Jersey Economic Development Authority, Special Facilities Rev. (Continental Airlines, Inc.), 6.25%, 2029	1,300,000	842,660
New Jersey Economic Development Authority, Special Facilities Rev. (Continental Airlines, Inc.), 7.2%, 2030	1,595,000	1,097,615
New York, NY, City Industrial Development Agencies Rev. (American Airlines, Inc.), 7.625%, 2025	6,625,000	5,049,178
New York, NY, City Industrial Development Agencies Rev. (American Airlines, Inc.), 7.75%, 2031	2,540,000	1,899,590
		\$ 14,883,905

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

<b>Issuer</b>	<b>Shares/Par</b>	<b>Value (\$)</b>
<b>Municipal Bonds - continued</b>		
Industrial Revenue - Chemicals - 0.9%		
Louisiana Environmental Facilities & Community Development Authority Rev. (Westlake Chemical), 6.75%, 2032	\$ 1,000,000	\$ 692,460
Red River Authority, TX, Pollution Control Rev. (Celanese Project) B , 6.7%, 2030	1,920,000	1,197,293
		\$ 1,889,753
Industrial Revenue - Environmental Services - 3.5%		
California Pollution Control Financing Authority, Solid Waste Disposal Rev. (Browning Ferris, Inc.), A , 5.8%, 2016	\$ 1,000,000	\$ 987,320
California Statewide Communities Development Authority, Solid Waste Facilities Rev. (Republic Services, Inc.), A , 4.95%, 2012	1,000,000	978,230
Cobb County, GA, Development Authority, Solid Waste Disposal Rev. (Waste Management, Inc.), A , 5%, 2033	220,000	164,351
Director of the State of Nevada Department of Business & Industry Rev. (Republic Services, Inc.), 5.625%, 2026 (b)	750,000	694,365
Gloucester County, NJ, Solid Waste Resource Recovery Rev. (Waste Management, Inc.), 6.85%, 2029 (b)	850,000	857,523
Gulf Coast Waste Disposal Authority (Waste Management, Inc.), 5.2%, 2028	440,000	352,770
Henrico County, VA, Industrial Development Authority Rev. (Browning Ferris, Inc.), 5.45%, 2014	1,750,000	1,745,608
Mission, TX, Economic Development Corp., Solid Waste Disposal Rev. (Allied Waste N.A., Inc.), A , 5.2%, 2018	440,000	409,922
New Morgan, PA, Industrial Development Authority, Solid Waste Disposal Rev. (New Morgan Landfill Co., Inc./Browning Ferris, Inc.), 6.5%, 2019	1,000,000	1,000,600
Yavapai County, AZ, Industrial Development Authority Rev. (Waste Management, Inc.), 4.9%, 2028	885,000	682,919
		\$ 7,873,608
Industrial Revenue - Other - 4.8%		
Aztalan, WI, Exempt Facility Rev. (Renew Energy LLC Project), 7.5%, 2018 (d)	\$ 835,000	\$ 12,525
Baker, FL, Correctional Development Corp. (Baker County Detention Center), 7.5%, 2030	440,000	364,892
California Statewide Communities Development Authority Facilities (Microgy Holdings Project), 9%, 2038	100,000	79,794
Gulf Coast, TX, Industrial Development Authority Rev. (Microgy Holdings LLC Project), 7%, 2036	620,000	250,207
Gulf Coast, TX, Industrial Development Authority Rev. (Valero Energy Corp.), 5.6%, 2031	1,750,000	1,360,870
Gulf Coast, TX, Waste Disposal Rev. (Valero Energy Corp.), 6.65%, 2032	1,000,000	887,700

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

Issuer	Shares/Par	Value (\$)
<b>Municipal Bonds - continued</b>		
Industrial Revenue - Other - continued		
New Jersey Economic Development Authority Rev. (GMT Realty LLC), B , 6.875%, 2037	\$ 430,000	\$ 318,931
New Jersey Economic Development Authority Rev. (GMT Realty LLC), C , 6.5%, 2015	700,000	670,348
New York, NY, City Industrial Development Agency Rev., Liberty Bonds (IAC/InterActiveCorp), 5%, 2035	620,000	418,419
Park Creek Metropolitan District, CO, Rev. (Custodial Receipts), CR-1 , 7.875%, 2032 (b)(n)	1,270,000	1,146,099
Park Creek Metropolitan District, CO, Rev. (Custodial Receipts), CR-2 , 7.875%, 2032 (b)(n)	580,000	523,415
Pennsylvania Economic Development Financing Authority, Finance Authority Facilities Rev. (Amtrak), A , 6.25%, 2031	2,000,000	1,598,980
Philadelphia, PA, Industrial Development Authority Rev. (Host Marriott LP), 7.75%, 2017	3,255,000	2,714,833
Tooele County, UT, Hazardous Waste Treatment Rev. (Union Pacific Corp.), 5.7%, 2026	385,000	349,210
		\$ 10,696,223
Industrial Revenue - Paper - 3.1%		
Bedford County, VA, Industrial Development Authority Rev. (Nekoosa Packaging), A , 6.55%, 2025	\$ 1,000,000	\$ 692,710
Butler, AL, Industrial Development Board, Solid Waste Disposal Rev. (Georgia Pacific Corp.), 5.75%, 2028	155,000	93,693
Cass County, TX, Industrial Development Corp. (International Paper Co.), A , 4.625%, 2027	2,150,000	1,345,900
Delta County, MI, Economic Development Corp., Environmental Improvement Rev. (Mead Westvaco Escanaba), B , 6.45%, 2012 (c)	500,000	556,775
Effingham County, GA, Development Authority, Solid Waste Disposal Rev. (Fort James), 5.625%, 2018	850,000	632,273
Effingham County, GA, Industrial Development Authority, Pollution Control (Georgia Pacific Corp. Project), 6.5%, 2031	500,000	349,930
Escambia County, FL, Environmental Improvement Rev. (International Paper Co.), A , 4.75%, 2030	525,000	311,036
Hodge, LA, Utilities Rev. (Stone Container Corp.), 7.45%, 2024 (d)	4,215,000	716,550
Lowndes County, MS, Solid Waste Disposal & Pollution Control Rev. (Weyerhaeuser Co.), 6.8%, 2022	2,000,000	1,662,520
Rockdale County, GA, Development Authority Project Rev. (Visy Paper Project), A , 6.125%, 2034	640,000	408,602
West Point, VA, Industrial Development Authority, Solid Waste Disposal Rev. (Chesapeake Corp.), 6.25%, 2019 (d)	1,870,000	18,700
West Point, VA, Industrial Development Authority, Solid Waste Disposal Rev. (Chesapeake Corp.), A , 6.375%, 2019 (d)	700,000	7,000
		\$ 6,795,689

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

<b>Issuer</b>	<b>Shares/Par</b>	<b>Value (\$)</b>
<b>Municipal Bonds - continued</b>		
Miscellaneous Revenue - Entertainment & Tourism - 0.6%		
Mississippi Development Bank, Special Obligation (Diamond Lakes Utilities), 6.25%, 2017	\$ 800,000	\$ 688,416
New York Liberty Development Corp. Rev. (National Sports Museum), A , 6.125%, 2019 (d)	369,599	1,478
Seminole Tribe, FL, Special Obligation, A , 5.25%, 2027 (n)	515,000	360,593
Seneca Nation Indians, NY, Capital Improvements Authority, Special Obligation, 5%, 2023 (n)	275,000	178,085
		\$ 1,228,572
Miscellaneous Revenue - Other - 3.8%		
Austin, TX, Convention Center (Convention Enterprises, Inc.), A , 6.7%, 2011 (c)	\$ 600,000	\$ 655,692
Austin, TX, Convention Center (Convention Enterprises, Inc.), A , SYNCORA, 5.25%, 2017	215,000	188,441
Austin, TX, Convention Center (Convention Enterprises, Inc.), A , SYNCORA, 5.25%, 2024	220,000	168,777
Austin, TX, Convention Center (Convention Enterprises, Inc.), B , 5.75%, 2034	775,000	524,729
Cleveland-Cuyahoga County, OH, Port Authority Rev. (Cleveland City), B , 4.5%, 2030	690,000	443,077
Cleveland-Cuyahoga County, OH, Port Authority Rev. (Fairmount), B , 5.125%, 2025	170,000	129,822
Cleveland-Cuyahoga County, OH, Port Authority Rev. (Perrysburg Project), 4.8%, 2035	225,000	142,598
Columbus, OH, Franklin County Finance Authority Development Rev., 6%, 2035 (b)	830,000	724,175
Dayton Montgomery County, OH, Port Authority Rev. (Parking Garage), 6.125%, 2024	1,130,000	951,358
Hardeman County, TN, Correctional Facilities Rev., 7.75%, 2017	1,830,000	1,769,372
Madison County, FL, Rev. (Twin Oaks Project), A , 6%, 2025	530,000	386,916
Riversouth, OH, Authority Rev. (Lazarus Building) A , 5.75%, 2027	1,125,000	884,959
Southwestern Illinois Development Authority Rev., Solid Waste Disposal Rev., 5.9%, 2014	275,000	264,116
Summit County, OH, Port Authority Building Rev. (Seville Project), A , 5.1%, 2025	175,000	125,129
Summit County, OH, Port Authority Building Rev. (Twinsburg Township), D , 5.125%, 2025	155,000	111,216
Summit County, OH, Port Authority Building Rev. (Workforce Policy Board), F , 4.875%, 2025	915,000	620,425

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

<b>Issuer</b>	<b>Shares/Par</b>	<b>Value (\$)</b>
<b>Municipal Bonds - continued</b>		
<b>Miscellaneous Revenue - Other - continued</b>		
Toledo Lucas County, OH, Port Authority Development Rev. (Northwest Ohio Bond Fund), B, 4.8%, 2035	\$ 265,000	\$ 167,949
Toledo Lucas County, OH, Port Authority Development Rev. (Northwest Ohio Bond Fund), C, 5.125%, 2025	90,000	61,945
		\$ 8,320,696
<b>Multi-Family Housing Revenue - 3.8%</b>		
Bay County, FL, Housing Finance Authority, Multi-Family Rev. (Andrews Place II Apartments), FSA, 5%, 2035	\$ 210,000	\$ 189,250
Bay County, FL, Housing Finance Authority, Multi-Family Rev. (Andrews Place II Apartments), FSA, 5.1%, 2046	390,000	347,802
Charter Mac Equity Issuer Trust, FHLMC, 7.1%, 2009 (b)(n)	1,000,000	1,001,390
Charter Mac Equity Issuer Trust, FHLMC, 6%, 2019 (n)	2,000,000	2,033,000
Indianapolis, IN, Multi-Family Rev. (Cambridge Station Apartments II), FNMA, 5.25%, 2039 (b)	435,000	421,624
Metropolitan Government of Nashville & Davidson County, TN, Health, Educational & Housing Facilities Board Rev. (Berkshire Place), GNMA, 6%, 2023	500,000	509,185
Mississippi Home Corp., Rev. (Kirkwood Apartments), 6.8%, 2037	1,095,000	823,320
MuniMae TE Bond Subsidiary LLC, 5.4%, 2049 (z)	1,000,000	650,330
MuniMae TE Bond Subsidiary LLC, 6.875%, 2049 (b)(z)	2,000,000	1,498,100
North Charleston, SC, Housing Authority Rev. (Horizon Village), A, GNMA, 5.15%, 2048	445,000	405,778
Seattle, WA, Housing Authority Rev., Capped Fund Program (High Rise Rehab), I, FSA, 5%, 2025	670,000	640,265
		\$ 8,520,044
<b>Sales &amp; Excise Tax Revenue - 0.2%</b>		
Desloge, MO, Tax Increment Rev. (U.S. Highway 67 Street Redevelopment), 5.2%, 2020	\$ 285,000	\$ 223,637
Utah Transit Authority Sales Tax Rev., A, MBIA, 0%, 2028	950,000	309,225
		\$ 532,862
<b>Single Family Housing - Local - 1.6%</b>		
Corpus Christi, TX, Housing Finance Authority Rev., B, 0%, 2011	\$ 1,135,000	\$ 678,730
Dallas, TX, Housing Finance Corp., Single Family Mortgage Rev., MBIA, 0%, 2016	1,535,000	717,735
Jefferson Parish, LA, Single Family Mortgage Rev., GNMA, 6.3%, 2032	395,000	400,001
Jefferson Parish, LA, Single Family Mortgage Rev., B-1, GNMA, 6.625%, 2023	165,000	171,425

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*Portfolio of Investments (unaudited) continued*

Issuer	Shares/Par	Value (\$)
<b>Municipal Bonds - continued</b>		
Single Family Housing - Local - continued		
Jefferson Parish, LA, Single Family Mortgage Rev., B-1 , GNMA, 6.75%, 2030	\$ 225,000	\$ 234,738
Nortex, TX, Housing Finance Corp., Single Family Mortgage Rev., B , 5.5%, 2038	50,000	35,260
Sedgwick & Shawnee Counties, KS, Single Family Housing Rev., A , GNMA, 6.45%, 2029	235,000	240,558
Sedgwick & Shawnee Counties, KS, Single Family Housing Rev., A , GNMA, 5.9%, 2035	270,000	270,251
Sedgwick & Shawnee Counties, KS, Single Family Housing Rev., A , GNMA, 6.25%, 2035	105,000	111,440
Sedgwick & Shawnee Counties, KS, Single Family Housing Rev., A-1 , GNMA, 5.75%, 2037	135,000	139,074
Sedgwick & Shawnee Counties, KS, Single Family Housing Rev., A-2 , GNMA, 5.75%, 2037	460,000	469,876
Sedgwick & Shawnee Counties, KS, Single Family Housing Rev., A-5 , GNMA, 5.9%, 2037	170,000	172,610
		<b>\$ 3,641,698</b>
Single Family Housing - State - 1.3%		
Colorado Housing & Finance Authority Rev., C-2 , 5.9%, 2023	\$ 125,000	\$ 125,153
Colorado Housing & Finance Authority Rev., C-2 , FHA, 6.6%, 2032	130,000	136,456
Colorado Housing & Finance Authority Rev., C-3 , FHA, 6.375%, 2033	55,000	58,023
Colorado Housing & Finance Authority Rev., D-2 , 6.9%, 2029	265,000	280,640
Missouri Housing Development Commission, Single Family Mortgage Rev. (Home Loan Program), GNMA, 6.35%, 2032	185,000	185,862
Missouri Housing Development Commission, Single Family Mortgage Rev. (Home Loan Program), GNMA, 6.85%, 2032	105,000	107,305
Nebraska Investment Finance Authority Single Family Mortgage Rev., 0%, 2015	2,200,000	1,257,608
New Hampshire Housing Finance Authority Rev., B , 5.875%, 2030	55,000	54,926
Texas Affordable Housing Corp. (Single Family Mortgage), B , GNMA, 5.25%, 2039	740,000	661,205
		<b>\$ 2,867,178</b>
Solid Waste Revenue - 1.3%		
Massachusetts Development Finance Agency, Resource Recovery Rev. (Ogden Haverhill Associates), A , 6.7%, 2014	\$ 490,000	\$ 480,195
Massachusetts Industrial Finance Agency, Resource Recovery Rev. (Ogden Haverhill Associates), A , 5.6%, 2019	2,850,000	2,355,440
		<b>\$ 2,835,635</b>

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

Issuer	Shares/Par	Value (\$)
<b>Municipal Bonds - continued</b>		
State & Agency - Other - 0.4%		
Commonwealth of Puerto Rico (Mepsi Campus), A , 6.25%, 2024	\$ 200,000	\$ 167,128
Commonwealth of Puerto Rico (Mepsi Campus), A , 6.5%, 2037	900,000	704,124
		\$ 871,252
Student Loan Revenue - 0.8%		
Access to Loans for Learning, CA Student Loan Rev., 7.95%, 2030	\$ 650,000	\$ 579,235
Massachusetts Educational Financing Authority, Education Loan Rev., H , ASSD GTY, 6.35%, 2030	1,240,000	1,201,746
		\$ 1,780,981
Tax - Other - 0.2%		
Virgin Islands Public Finance Authority Rev., E , 5.875%, 2018	\$ 500,000	\$ 481,285
Tax Assessment - 7.5%		
Arborwood Community Development District, FL, Capital Improvement Rev., 5.25%, 2016	\$ 445,000	\$ 342,552
Arborwood Community Development District, FL, Capital Improvement Rev. (Master Infrastructure Projects), A , 5.35%, 2036	610,000	343,540
Arborwood Community Development District, FL, Special Assessment (Master Infrastructure Projects), B , 5.1%, 2014	225,000	181,287
Atlanta, GA, Tax Allocation (Eastside Project), B , 5.6%, 2030	815,000	592,880
Atlanta, GA, Tax Allocation (Princeton Lakes Project), 5.5%, 2031	470,000	317,631
Baltimore, MD, Special Obligation, A , 7%, 2038	715,000	570,434
Belmont Community Development District, FL, Capital Improvement Rev., B , 5.125%, 2014 (d)	970,000	261,638
Capital Region Community Development District Rev., FL, A , 7%, 2039	465,000	330,024
Concord Station Community Development District, FL, Special Assessment, 5%, 2015	205,000	153,543
Concorde Estates Community Development District, FL, Special Assessment, B , 5%, 2011	475,000	367,650
Du Page County, IL, Special Service Area No. 31 Special Tax (Monarch Landing Project), 5.625%, 2036	305,000	182,180
Durbin Crossing Community Development District, FL, Special Assessment, B-1 , 4.875%, 2010	280,000	182,479
East Homestead Community Development District, FL, Special Assessment, B , 5%, 2011	155,000	112,344
Enclave at Black Point Marina Community Development District, FL, B , 5.2%, 2014	215,000	132,588
Fishhawk Community Development District, FL, 5.125%, 2009	335,000	270,355

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

<b>Issuer</b>	<b>Shares/Par</b>	<b>Value (\$)</b>
<b>Municipal Bonds - continued</b>		
Tax Assessment - continued		
Grand Bay at Doral Community Development District, FL, A, 6%, 2039	\$ 170,000	\$ 95,571
Grand Bay at Doral Community Development District, FL, B, 6%, 2017	995,000	731,544
Heritage Harbour North Community Development District, FL, Capital Improvement Rev., 6.375%, 2038	560,000	351,993
Homestead 50 Community Development District, FL, A, 6%, 2037	670,000	388,627
Homestead 50 Community Development District, FL, B, 5.9%, 2013	310,000	253,974
Katy, TX, Development Authority Rev., B, 6%, 2018	925,000	750,369
Killarney Community Development District, FL, Special Assessment, B, 5.125%, 2009	170,000	110,500
Lakes by the Bay South Community Development District, FL, Rev., B, 5.3%, 2009	570,000	342,000
Lancaster County, SC, Assessment Rev. (Sun City Carolina Lakes), 5.45%, 2037	110,000	63,021
Legends Bay Community Development District, FL, A, 5.5%, 2014	420,000	226,540
Legends Bay Community Development District, FL, A, 5.875%, 2038	355,000	180,574
Magnolia Park Community Development District, FL, Special Assessment, A, 6.15%, 2039	1,140,000	690,977
Main Street Community Development District, FL, A, 6.8%, 2038	555,000	357,842
Main Street Community Development District, FL, B, 6.9%, 2017	420,000	319,074
Middle Village Community Development District, FL, Special Assessment, B, 5%, 2009	95,000	95,000
Naturewalk Community Development District, FL, Capital Improvement Rev., B, 5.3%, 2016	650,000	337,506
New Port Tampa Bay Community Development District, FL, Special Assessment, B, 5.3%, 2012	440,000	162,778
North Springs Improvement District, FL, Special Assessment (Parkland Golf Country Club), B-1, 5.125%, 2015	400,000	307,552
North Springs Improvement District, FL, Special Assessment (Parkland Golf Country Club), B-2, 5.125%, 2015	145,000	112,668
Ohio County, WV, Commission Tax Increment Rev. (Fort Henry Centre), A, 5.85%, 2034	235,000	163,522
Old Palm Community Development District, FL, Special Assessment (Palm Beach Gardens), A, 5.9%, 2035	235,000	138,845
Old Palm Community Development District, FL, Special Assessment (Palm Beach Gardens), B, 5.375%, 2014	240,000	191,784
OTC Community Development District, FL, Special Assessment, A, 5.3%, 2038	985,000	548,261

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*Portfolio of Investments (unaudited) continued*

Issuer	Shares/Par	Value (\$)
<b>Municipal Bonds - continued</b>		
Tax Assessment - continued		
Overland Park, KS, Special Assessment (Tallgrass Creek), 4.85%, 2016	\$ 170,000	\$ 135,788
Overland Park, KS, Special Assessment (Tallgrass Creek), 5.125%, 2028	350,000	220,402
Panther Trace II, Community Development District, FL, Special Assessment, 5.125%, 2013	350,000	219,891
Panther Trace II, Community Development District, FL, Special Assessment, B, 5%, 2010	285,000	242,222
Parker Road Community Development District, FL, A, 5.6%, 2038	335,000	177,413
Parkway Center Community Development District, FL, Special Assessment, B, 5.625%, 2014	1,030,000	802,504
Paseo Community Development District, FL, B, 4.875%, 2010	390,000	233,949
Preserve at Wilderness Lake, FL, Community Development District, Capital Improvement, B, 5%, 2009	20,000	20,000
Prince George's County, MD, Special Obligation (National Harbor Project), 5.2%, 2034	245,000	128,304
Riverwood Estates Community Development District, FL, Special Assessment, B, 5%, 2013 (d)	870,000	304,500
Sterling Hill Community Development District, FL, Special Assessment, 5.5%, 2010	190,000	184,245
Stone Ridge, CO, Metropolitan District No. 2, 7.25%, 2031	800,000	552,968
Tolomato Community Development District, FL, Special Assessment, 6.65%, 2040	1,070,000	716,761
Tuscany Reserve Community Development District, FL, Special Assessment, B, 5.25%, 2016	785,000	430,737
Villa Vizcaya Community Development District, FL, A, 5.55%, 2039	210,000	111,516
Watergrass Community Development District, FL, A, 5.375%, 2039	420,000	216,140
Watergrass Community Development District, FL, Special Assessment, B, 4.875%, 2010	765,000	423,099
Wentworth Estates Community Development District, FL, Special Assessment, B, 5.125%, 2012	340,000	187,309
		<b>\$ 16,569,395</b>
<b>Tobacco - 8.4%</b>		
Badger, WI, Tobacco Asset Securitization Corp., 6.125%, 2027	\$ 3,365,000	\$ 3,594,493
Buckeye, OH, Tobacco Settlement Financing Authority, A-2, 5.875%, 2030	6,585,000	4,435,722
Buckeye, OH, Tobacco Settlement Financing Authority, A-2, 6%, 2042	220,000	126,320



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*Portfolio of Investments (unaudited) continued*

Issuer	Shares/Par	Value (\$)
<b>Municipal Bonds - continued</b>		
Tobacco - continued		
Buckeye, OH, Tobacco Settlement Financing Authority, A-2 , 5.875%, 2047	\$ 1,905,000	\$ 1,064,552
Buckeye, OH, Tobacco Settlement Financing Authority, A-2 , 6.5%, 2047	1,420,000	875,870
California County, CA, Tobacco Securitization Corp., Tobacco Settlement, L.A. County, A , 0% to 2010, 5.65% to 2041	485,000	231,651
California Statewide Financing Authority, Tobacco Settlement, 5.625%, 2029	1,510,000	1,098,616
District of Columbia, Tobacco Settlement Rev., 6.25%, 2024	900,000	812,772
Golden State, CA, Tobacco Securitization Corp., Tobacco Settlement Rev., A-4 , 7.8%, 2013 (c)	1,000,000	1,210,930
Inland Empire, CA, Tobacco Securitization Corp., Tobacco Settlement Rev., Asset Backed, C-1 , 0%, 2036	3,270,000	206,174
Iowa Tobacco Settlement Authority, Tobacco Settlement Rev., Asset Backed, B , 5.6%, 2034	1,635,000	996,238
Louisiana Tobacco Settlement Authority Rev., 5.5%, 2030	1,435,000	1,096,656
Michigan Tobacco Settlement Finance Authority Rev., Asset Backed, A , 6%, 2048	1,125,000	641,183
New Jersey Tobacco Settlement Financing Corp., 5.75%, 2012 (c)	695,000	752,393
New Jersey Tobacco Settlement Financing Corp., 7%, 2013 (c)	15,000	18,201
Rhode Island Tobacco Settlement Financing Corp., A , 0%, 2052	7,295,000	64,123
Silicon Valley Tobacco Securitization Authority, CA, Tobacco Settlement Rev. (Turbo-Santa Clara), A , 0%, 2036	2,115,000	136,735
Silicon Valley Tobacco Securitization Authority, CA, Tobacco Settlement Rev. (Turbo-Santa Clara), A , 0%, 2041	1,560,000	60,232
South Carolina Tobacco Settlement Authority Rev., B , 6.375%, 2011 (c)	1,075,000	1,174,233
Washington Tobacco Settlement Authority, 6.5%, 2026	145,000	137,238
		\$ 18,734,332
<b>Toll Roads - 1.0%</b>		
Bay Area Toll Authority, CA, Toll Bridge Rev. (San Francisco Bay Area), F1 , 5%, 2034	\$ 1,290,000	\$ 1,279,048
E-470 Public Highway Authority, Colorado Rev., Capital Appreciation, B , MBIA, 0%, 2027	4,115,000	910,156
		\$ 2,189,204
<b>Transportation - Special Tax - 1.6%</b>		
Telluride, CO, Real Estate Transfer Assessment Rev. (Gondola Transit Co.), ETM, 11.5%, 2012 (c)	\$ 2,900,000	\$ 3,592,665

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*Portfolio of Investments (unaudited) continued*

Issuer	Shares/Par	Value (\$)
<b>Municipal Bonds - continued</b>		
<b>Universities - Colleges - 14.0%</b>		
California Statewide Communities Development Authority Rev. (California Baptist University), A , 5.4%, 2027	\$ 370,000	\$ 239,486
California Statewide Communities Development Authority Rev. (California Baptist University), A , 5.5%, 2038	420,000	253,793
Harrisburg, PA, University Authority Rev. (Harrisburg University of Science), A , 5.4%, 2016	100,000	95,169
Houston, TX, Community College Systems, COP, MBIA, 7.875%, 2012 (c)	2,500,000	2,789,125
Illinois Educational Facilities Authority Rev. (Augustana College), A , 5.625%, 2022	400,000	342,372
Illinois Finance Authority Rev. (Illinois Institute of Technology), A , 5%, 2031	795,000	618,128
Illinois Finance Authority Rev. (Illinois Institute of Technology), A , 5%, 2036	1,380,000	1,040,837
Louisiana State University (Health Sciences Center Project), MBIA, 6.375%, 2031	2,500,000	2,573,900
Massachusetts Development Finance Agency Rev. (Simmons College), H , SYNCORA, 5.25%, 2033	110,000	84,778
Massachusetts Health & Educational Facilities Authority Rev. (Massachusetts Institute of Technology), 5%, 2038 (u)	20,000,000	20,702,800
Massachusetts Health & Educational Facilities Authority Rev. (Simmons College), I , 8%, 2029	535,000	557,154
New Jersey Educational Facilities Authority Rev. (University of Medicine & Dentistry), B , 6%, 2017	590,000	582,596
New Jersey Educational Facilities Authority Rev. (University of Medicine & Dentistry), B , 7.5%, 2032	1,065,000	1,047,587
Pennsylvania Higher Educational Facilities Authority Rev. (Lasalle University), A , 5.25%, 2027	105,000	86,456
		<b>\$ 31,014,181</b>
<b>Universities - Dormitories - 0.1%</b>		
California Statewide Communities Development Authority Rev. (Lancer Educational Student Housing Project), 5.625%, 2033	\$ 380,000	\$ 231,207
<b>Universities - Secondary Schools - 2.4%</b>		
California Statewide Communities Development Authority Rev. (Escondido Charter High School), 7.5%, 2011 (c)	\$ 530,000	\$ 596,520
California Statewide Communities Development Authority Rev. (Escondido Charter High School), 7.5%, 2011 (c)	1,000,000	1,163,580
Colorado Housing Finance Development Rev. (Evergreen Country Day School), 5.875%, 2037	770,000	529,190

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

<b>Issuer</b>	<b>Shares/Par</b>	<b>Value (\$)</b>
<b>Municipal Bonds - continued</b>		
<b>Universities - Secondary Schools - continued</b>		
Lee County, FL, Industrial Development Authority Rev. (Lee Charter Foundation), A, 5.25%, 2027	\$ 430,000	\$ 262,326
Lee County, FL, Industrial Development Authority Rev. (Lee Charter Foundation), A, 5.375%, 2037	945,000	534,312
Maryland Health & Higher Educational Facilities Authority Rev. (Washington Christian Academy), 5.5%, 2038	140,000	73,375
Maryland Industrial Development Financing Authority, Economic Development Authority Rev. (Our Lady of Good Council), A, 6%, 2035	150,000	102,321
Michigan Municipal Bond Authority Rev. (YMCA Service Learning Academy), 7.625%, 2021	1,000,000	889,490
Utah County, UT, Charter School Rev. (Lakeview Academy), A, 5.625%, 2037	500,000	337,700
Utah County, UT, Charter School Rev. (Renaissance Academy), A, 5.625%, 2037	285,000	186,809
Utah County, UT, Charter School Rev. (Ronald Wilson Reagan Academy), A, 6%, 2038	795,000	560,658
		\$ 5,236,281
<b>Utilities - Cogeneration - 0.8%</b>		
Alaska Industrial Development Export Authority, Power Rev., Upper Lynn Canal Regional Power, 5.8%, 2018	\$ 830,000	\$ 708,139
Pennsylvania Economic Development Financing Authority Rev., Resource Recovery Rev. (Colver), G, 5.125%, 2015	350,000	281,351
Pennsylvania Economic Development Financing Authority Rev., Resources Recovery Rev. (Northampton Generating), A, 6.5%, 2013	1,000,000	681,450
		\$ 1,670,940
<b>Utilities - Investor Owned - 7.6%</b>		
Brazos River Authority, TX, Authority Texas Rev. (Reliant Energy, Inc.), A, 5.375%, 2019	\$ 500,000	\$ 459,010
Brazos River Authority, TX, Pollution Control Rev. (TXU Electric Co. LLC), C, 5.75%, 2036 (b)	2,205,000	1,316,407
Brazos River Authority, TX, Pollution Control Rev. (TXU Electric Co. LLC), D, 5.4%, 2029 (b)	85,000	39,958
Brazos River Authority, TX, Pollution Control Rev. (TXU Energy Co. LLC), 5%, 2041	835,000	310,169
Connecticut Development Authority, Pollution Control Rev. (Connecticut Light & Power Co.), 5.95%, 2028	2,270,000	2,102,951
Farmington, NM, Pollution Control Rev. (Public Service New Mexico), A, 6.3%, 2016	2,195,000	2,171,514

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

<b>Issuer</b>	<b>Shares/Par</b>	<b>Value (\$)</b>
<b>Municipal Bonds - continued</b>		
<b>Utilities - Investor Owned - continued</b>		
Farmington, NM, Pollution Control Rev. (Public Service New Mexico), C , 5.8%, 2022	\$ 2,105,000	\$ 1,889,174
Matagorda County, TX (CenterPoint Energy), 5.6%, 2027	1,500,000	1,344,015
Matagorda County, TX, Pollution Control Rev. (Reliant Energy), 5.95%, 2030	1,655,000	1,339,772
Mecklenburg County, VA, Industrial Development Authority Rev. (UAE Mecklenburg LP), 6.5%, 2017	800,000	804,848
New Hampshire Business Finance Authority, Pollution Control Rev. (Public Service of New Hampshire), 6%, 2021	1,000,000	975,010
Red River Authority, TX, Pollution Control Rev. (AEP Texas Central Co.), MBIA, 4.45%, 2020	760,000	639,928
Sabine River Authority, TX, Pollution Control Rev. (TXU Electric Co. LLC), 5.2%, 2028	340,000	143,466
Sabine River Authority, TX, Pollution Control Rev. (TXU Electric Co. LLC), 5.75%, 2030 (b)	610,000	364,176
West Feliciana Parish, LA, Pollution Control Rev. (Gulf States Utilities Co.), 5.8%, 2015	1,500,000	1,423,740
West Feliciana Parish, LA, Pollution Control Rev. (Gulf States Utilities Co.), 5.8%, 2016	1,000,000	895,660
Yuma County, AZ, Industrial Development Authority (Far West Water & Sewer, Inc.), 6.375%, 2037	735,000	569,493
		\$ 16,789,291
<b>Utilities - Municipal Owned - 0.9%</b>		
North Carolina Municipal Power Agency, Catawba Electric Rev., B , 6.5%, 2020	\$ 2,000,000	\$ 2,058,380
<b>Utilities - Other - 2.0%</b>		
Main Street Natural Gas Inc., GA, Gas Project Rev., A , 5%, 2022	\$ 500,000	\$ 417,780
Main Street Natural Gas, Inc., GA, Gas Project Rev., A , 5.5%, 2026	285,000	217,615
Salt Verde Financial Corp., AZ, Senior Gas Rev., 5%, 2037	1,900,000	1,293,558
Tennessee Energy Acquisition Corp., Gas Rev., A , 5%, 2014	455,000	417,449
Tennessee Energy Acquisition Corp., Gas Rev., A , 5.25%, 2022	510,000	434,066
Tennessee Energy Acquisition Corp., Gas Rev., A , 5.25%, 2023	80,000	67,534
Tennessee Energy Acquisition Corp., Gas Rev., A , 5.25%, 2024	560,000	469,571
Tennessee Energy Acquisition Corp., Gas Rev., A , 5.25%, 2026	905,000	748,652
Tennessee Energy Acquisition Corp., Gas Rev., C , 5%, 2025	450,000	365,846
		\$ 4,432,071
<b>Total Municipal Bonds (Identified Cost, \$401,283,501)</b>		<b>\$ 337,349,233</b>

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*Portfolio of Investments (unaudited) continued*

Money Market Funds (v) - 0.0%		
Issuer	Shares/Par	Value (\$)
MFS Institutional Money Market Portfolio, 0.23%, at Cost and Net Asset Value	63,407	\$ 63,407
<b>Total Investments (Identified Cost, \$401,346,908)</b>		<b>\$ 337,412,640</b>
Other Assets, Less Liabilities - (0.9)%		
Preferred Shares (Issued by the Fund) - (51.3)%		(113,750,000)
<b>Net Assets applicable to common shares - 100.0%</b>		<b>\$ 221,667,808</b>

- (b) Mandatory tender date is earlier than stated maturity date.
- (c) Refunded bond.
- (d) Non-income producing security in default.
- (f) All or a portion of the security has been segregated as collateral for open futures contracts.
- (n) Securities exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be sold in the ordinary course of business in transactions exempt from registration, normally to qualified institutional buyers. At period end, the aggregate value of these securities was \$5,242,582, representing 2.4% of net assets applicable to common shares.
- (p) Primary inverse floater.
- (u) Underlying security deposited into special purpose trust ( the trust ) by investment banker upon creation of self-deposited inverse floaters.
- (v) Underlying fund that is available only to investment companies managed by MFS. The rate quoted is the annualized seven-day yield of the fund at period end.
- (z) Restricted securities are not registered under the Securities Act of 1933 and are subject to legal restrictions on resale. These securities generally may be resold in transactions exempt from registration or to the public if the securities are subsequently registered. Disposal of these securities may involve time-consuming negotiations and prompt sale at an acceptable price may be difficult. The fund holds the following restricted securities:

Restricted Securities	Acquisition Date	Cost	Current Market Value
MuniMae TE Bond Subsidiary LLC, 6.875%, 2049	5/18/99	\$2,000,000	\$1,498,100
MuniMae TE Bond Subsidiary LLC, 5.4%, 2049	10/14/04	1,000,000	650,330
<b>Total Restricted Securities</b>			<b>\$2,148,430</b>
% of Net Assets Applicable to Common Shares			1%

**Derivative Contracts at 4/30/09**

Futures Contracts Outstanding at 4/30/09

Description	Currency	Contracts	Value	Expiration Date	Unrealized Appreciation (Depreciation)
<b>Asset Derivatives</b>					
<b><i>Interest Rate Futures</i></b>					
U.S. Treasury Note 10 yr (Short)	USD	66	\$7,981,875	Jun-09	\$27,097
U.S. Treasury Bond 30 yr (Short)	USD	68	8,334,250	Jun-09	281,856
					\$308,953

**Table of Contents***Portfolio of Investments (unaudited) continued***Swap Agreements at 4/30/09**

Expiration	Notional Amount	Counterparty	Cash Flows to Receive	Cash Flows to Pay	Fair Value
<b>Asset Derivatives</b>					
<b>Interest Rate Swaps</b>					
8/12/19	USD 15,000,000	JPMorgan Chase Bank	3-Month LIBOR	3.14% (fixed rate)	\$ 226,553

At April 30, 2009, the fund had sufficient cash and/or other liquid securities to cover any commitments under these derivative contracts.

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

COP Certification of participation  
 ETM Escrow to Maturity  
 LIBOR London Interbank Offered Rate

**Insurers**

AMBAC AMBAC Indemnity Corp.  
 ASSD GTY Assured Guaranty Insurance Co.  
 FGIC Financial Guaranty Insurance Co.  
 FHA Federal Housing Administration  
 FHLMC Federal Home Loan Mortgage Corp.  
 FNMA Federal National Mortgage Assn.  
 FSA Financial Security Assurance Inc.  
 GNMA Government National Mortgage Assn.  
 MBIA MBIA Insurance Corp.  
 PSF Permanent School Fund  
 SYNCORA Syncora Guarantee Inc.

**Inverse Floaters**

INFLOS Inverse Floating Security

**See Notes to Financial Statements**

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

At 4/30/09 (unaudited)

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

<b>Assets</b>		
Investments-		
Non-affiliated issuers, at value (identified cost, \$401,283,501)	\$337,349,233	
Underlying funds, at cost and value	63,407	
Total investments, at value (identified cost, \$401,346,908)		\$337,412,640
Receivables for		
Daily variation margin on open futures contracts	25,125	
Investments sold	702,260	
Interest and dividends	7,824,003	
Swaps, at value	226,553	
Other assets	27,514	
Total assets		\$346,218,095
<b>Liabilities</b>		
Payables for		
Distributions on common shares	\$131,526	
Distributions on preferred shares	11,115	
Investments purchased	450,679	
Payable to the holder of the floating rate certificate from trust assets	10,000,000	
Payable for interest expense and fees	36,833	
Payable to affiliates		
Management fee	15,968	
Transfer agent and dividend disbursing costs	12,387	
Administrative services fee	429	
Payable for independent trustees' compensation	88,336	
Accrued expenses and other liabilities	53,014	
Total liabilities		\$10,800,287
<b>Preferred shares</b>		
Series T and Series TH auction preferred shares (4,550 shares issued and outstanding at \$25,000 per share) at liquidation value		\$113,750,000
Net assets applicable to common shares		\$221,667,808
<b>Net assets consist of</b>		
Paid-in capital - common shares	\$316,592,056	
Unrealized appreciation (depreciation) on investments	(63,398,762)	
Accumulated net realized gain (loss) on investments	(34,449,811)	
Undistributed net investment income	2,924,325	
Net assets applicable to common shares		\$221,667,808
Preferred shares, at value (4,550 shares issued and outstanding at \$25,000 per share)		113,750,000
Net assets including preferred shares		\$335,417,808
Common shares of beneficial interest outstanding		40,395,787
Net asset value per common share (net assets of \$221,667,808/40,395,787 shares of beneficial interest outstanding)		\$5.49

**See Notes to Financial Statements**



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

Six months ended 4/30/09 (unaudited)

This statement describes how much your fund earned in investment income and accrued in expenses.

It also describes any gains and/or losses generated by fund operations.

<b>Net investment income</b>		
Interest income	\$12,510,882	
Dividends from underlying funds	769	
Total investment income		\$12,511,651
<b>Expenses</b>		
Management fee	\$1,422,618	
Transfer agent and dividend disbursing costs	39,448	
Administrative services fee	38,236	
Independent trustees compensation	24,798	
Stock exchange fee	17,792	
Preferred shares remarketing agent fee	141,157	
Custodian fee	31,566	
Shareholder communications	25,471	
Auditing fees	40,876	
Legal fees	5,217	
Interest expense and fees	63,235	
Miscellaneous	36,762	
Total expenses		\$1,887,176
Fees paid indirectly	(9,758)	
Reduction of expenses by investment adviser	(623)	
Net expenses		\$1,876,795
Net investment income		\$10,634,856
<b>Realized and unrealized gain (loss) on investments</b>		
Realized gain (loss) (identified cost basis)		
Investment transactions	\$(2,961,118)	
Futures contracts	(1,588,226)	
Swap transactions	(1,450,000)	
Net realized gain (loss) on investments		\$(5,999,344)
Change in unrealized appreciation (depreciation)		
Investments	\$(3,093,966)	
Futures contracts	(180,349)	
Swap transactions	(61,427)	
Net unrealized gain (loss) on investments		\$(3,335,742)
Net realized and unrealized gain (loss) on investments		\$(9,335,086)
Distributions declared to preferred shareholders		\$(636,259)
Change in net assets from operations		\$663,511
<b>See Notes to Financial Statements</b>		

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

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

	<b>Six months ended</b>	
	<b>4/30/09</b>	<b>Year ended</b>
	<b>(unaudited)</b>	<b>10/31/08</b>
<b>Change in net assets</b>		
<b>From operations</b>		
Net investment income	\$10,634,856	\$22,265,093
Net realized gain (loss) on investments	(5,999,344)	(3,488,769)
Net unrealized gain (loss) on investments	(3,335,742)	(75,326,909)
Distributions declared to preferred shareholders	(636,259)	(5,150,899)
Change in net assets from operations	\$663,511	\$(61,701,484)
<b>Distributions declared to common shareholders</b>		
From net investment income	\$(9,531,642)	\$(18,383,495)
Net asset value of shares issued to common shareholders in reinvestment of distributions	\$92,288	\$838,133
Total change in net assets	\$(8,775,843)	\$(79,246,846)
<b>Net assets applicable to common shares</b>		
At beginning of period	230,443,651	309,690,497
At end of period (including undistributed net investment income of \$2,924,325 and \$2,457,370, respectively)	\$221,667,808	\$230,443,651

**See Notes to Financial Statements**

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

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

	Six months ended	2008	2007	Years ended 10/31 2006	2005	2004
	<b>4/30/09</b>					
	<b>(unaudited)</b>					
Net asset value, beginning of period	\$5.71	\$7.69	\$8.06	\$7.92	\$7.86	\$7.69
<b>Income (loss) from investment operations</b>						
Net investment income (d)	\$0.26	\$0.55	\$ 0.57(z)	\$0.58	\$0.59	\$0.60
Net realized and unrealized gain (loss) on investments	(0.22)	(1.94)	(0.35)(z)	0.17	0.10	0.16
Distributions declared to preferred shareholders	(0.02)	(0.13)	(0.13)	(0.12)	(0.08)	(0.04)
Total from investment operations	\$0.02	\$(1.52)	\$0.09	\$0.63	\$0.61	\$0.72
<b>Less distributions declared to shareholders</b>						
From net investment income, common shares	\$(0.24)	\$(0.46)	\$(0.46)	\$(0.49)	\$(0.55)	\$(0.55)
Net asset value, end of period	\$5.49	\$5.71	\$7.69	\$8.06	\$7.92	\$7.86
Common share market value, end of period	\$5.46	\$4.91	\$7.31	\$8.20	\$8.27	\$7.83
Total return at common market value (%) (p)	16.62(n)	(28.13)	(5.48)	5.41	13.18	12.22
Total return at net asset value (%) (r)(s)	0.83(n)	(20.55)	1.17	8.24	7.92	9.72
<b>Ratios (%) (to average net assets applicable to common shares) and Supplemental data:</b>						
Expenses before expense reductions (f)(p)	1.80(a)	1.57	1.47	1.45	1.44	1.46
Expenses after expense reductions (f)(p)	1.80(a)	1.57	1.47	1.45	1.44	1.46
Expenses after expense reductions and excluding interest expense and fees (f)(l)(p)	1.74(a)	1.49	1.40	1.45	1.44	1.46
Net investment income (p)	10.12(a)	7.82	7.23(z)	7.30	7.45	7.70
Portfolio turnover	6	25	24	17	14	9
Net assets at end of period (000 Omitted)	\$221,668	\$230,444	\$309,690	\$323,099	\$316,196	\$312,825

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

	Six months ended	2008	Years ended 10/31			2004
	4/30/09		2007	2006	2005	
	(unaudited)					
<b>Supplemental Ratios (%):</b>						
Ratio of expenses to average net assets including preferred shares and excluding interest expense and fees (f)(l)(p)	1.13(a)	1.01	0.97	1.00	0.99	1.00
Preferred shares dividends (y)	0.61(a)	1.81	1.63	1.46	0.95	0.49
Net investment income available to common shares	9.51(a)	6.01	5.60	5.84	6.49	7.22
<b>Senior Securities:</b>						
Total preferred shares outstanding	4,550	4,550	5,600	5,600	5,600	5,600
Asset coverage per preferred share (k)	\$73,718	\$75,647	\$80,302	\$82,696	\$81,464	\$80,862
Involuntary liquidation preference per preferred share (m)	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
Average market value per preferred share (m)(x)	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000

(a) Annualized.

(d) Per share data is based on average shares outstanding.

(f) Ratios do not reflect reductions from fees paid indirectly, if applicable.

(k) Calculated by subtracting the fund's total liabilities (not including preferred shares) from the fund's total assets and dividing this number by the number of preferred shares outstanding.

(l) Interest expense and fees relate to payments made to the holder of the floating rate certificate from trust assets.

(m) Amount excludes accrued unpaid distributions to Auction Preferred Shareholders.

(n) Not annualized.

(p) Ratio excludes dividend payment on auction preferred shares.

(r) Certain expenses have been reduced without which performance would have been lower.

(s) From time to time the fund may receive proceeds from litigation settlements, without which performance would be lower.

(x) Average market value represents the approximate fair value of the fund's liability.

(y) Ratio is based on average net assets applicable to common shares.

(z) The fund applied a change in estimate for amortization of premium on certain debt securities during the year that resulted in an increase of \$0.04 per share to net investment income, a decrease of \$0.04 per share to net realized and unrealized gain (loss) on investments, and an increase of 0.49% to the net investment income ratio for the year ended October 31, 2007. The change in estimate had no impact on net assets, net asset value per share or total return.

**See Notes to Financial Statements**

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## NOTES TO FINANCIAL STATEMENTS

(unaudited)

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

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

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

**General** The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The value of municipal instruments can be affected by changes in their actual or perceived credit quality. The credit quality of municipal instruments can be affected by, among other things, the financial condition of the issuer or guarantor, the issuer's future borrowing plans and sources of revenue, the economic feasibility of the revenue bond project or general borrowing purpose, political or economic developments in the region where the instrument is issued and the liquidity of the security. Municipal instruments generally trade in the over-the-counter market. Municipal instruments backed by current and anticipated revenues from a specific project or specific assets can be negatively affected by the discontinuance of the taxation supporting the projects or assets or the inability to collect revenues for the project or from the assets. If the Internal Revenue Service determines an issuer of a municipal instrument has not complied with the applicable tax requirements, the security could decline in value, interest from the security could become taxable and the funds may be required to issue Forms 1099-DIV. The fund can invest up to 100% of its portfolio in high-yield securities rated below investment grade. Investments in high-yield securities involve greater degrees of credit and market risk than investments in higher-rated securities and tend to be more sensitive to economic conditions.

**Investment Valuations** Debt instruments and floating rate loans (other than short-term instruments), including restricted debt instruments, are generally valued at an evaluated or composite bid as provided by a third-party pricing service. Short-term instruments with a maturity at issuance of 60 days or less generally are valued at amortized cost, which approximates market value. Futures contracts are generally valued at last posted settlement price as provided by a third-party pricing service on the market on which they are primarily traded. Futures contracts for which there were no trades that day for a particular position are generally valued at the closing bid quotation as

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*Notes to Financial Statements (unaudited) continued*

provided by a third-party pricing service on the market on which such futures contracts are primarily traded. Swaps are generally valued at valuations provided by a third-party pricing service. Open-end investment companies are generally valued at net asset value per share. Securities and other assets generally valued on the basis of information from a third-party pricing service may also be valued at a broker/dealer bid quotation. Values obtained from pricing services can utilize both dealer-supplied valuations and electronic data processing techniques, which take into account factors such as institutional-size trading in similar groups of securities, yield, quality, coupon rate, maturity, type of issue, trading characteristics, and other market data.

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

The fund adopted FASB Statement No. 157, Fair Value Measurements (the Statement). This Statement provides a single definition of fair value, a hierarchy for measuring fair value and expanded disclosures about fair value measurements.

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

Various inputs are used in determining the value of the fund's assets or liabilities carried at market value. These inputs are categorized into three broad levels. Level 1 includes quoted prices in active markets for identical assets or liabilities. Level 2 includes other significant observable market-based inputs (including quoted prices for similar securities, interest rates, prepayment speed, and credit risk). Level 3 includes unobservable inputs, which may include the adviser's own assumptions in determining the fair value of investments. Other financial instruments are derivative instruments not reflected in total investments, such as futures, forwards, swap contracts and written options. The following is a summary of the levels used as of April 30, 2009 in valuing the fund's assets or liabilities carried at market value:

	Level 1	Level 2	Level 3	Total
Investments in Securities	\$63,407	\$337,349,233	\$	\$337,412,640
Other Financial Instruments	\$308,953	\$226,553	\$	\$535,506

In April 2009, FASB Staff Position (FSP) 157-4 was issued and is effective for financial statements issued for fiscal years and interim periods ending after June 15, 2009. FSP 157-4 clarifies FAS 157 and requires an entity to evaluate certain factors to determine whether there has been a significant decrease in volume and level of activity for the asset or liability such that recent transactions and quoted prices may not be determinative of fair value and further analysis and adjustment may be necessary to estimate fair value. The FSP also requires enhanced disclosure regarding the inputs and valuation techniques used to measure fair value in those instances as well as expanded disclosure of valuation levels for major security types. Management is evaluating the application of the FSP to the fund, and believes the impact resulting from the adoption of this FSP will be limited to expanded disclosure in the fund's financial statements.

**Derivative Risk** The fund may invest in derivatives for hedging or non-hedging purposes. While hedging can reduce or eliminate losses, it can also reduce or eliminate gains. When the fund uses derivatives as an investment to gain market exposure, or for hedging purposes, gains and losses from derivative instruments may be substantially greater than the derivative's original cost. Cash that has been segregated on behalf of certain derivative contracts will be reported separately on the Statement of Assets and Liabilities as restricted cash. On some over-the-counter derivatives, the fund attempts to reduce its exposure to counterparty credit risk by entering into an ISDA Master Agreement on a bilateral basis with each of the counterparties with whom it undertakes a significant volume of transactions. The ISDA Master Agreement gives the fund the right, upon an event of default by the applicable counterparty, to close out all transactions traded under such agreement and to net amounts owed under each transaction to one net amount payable by one party to the other. This right to close out and net payments across all

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*Notes to Financial Statements (unaudited) continued*

transactions traded under the ISDA Master Agreement could result in a reduction of the fund's credit risk to such counterparty equal to any amounts payable by the fund under the applicable transactions, if any. However, absent an event of default by the counterparty, the ISDA Master Agreement does not result in an offset of reported balance sheet assets and liabilities across transactions between the fund and the applicable counterparty. Derivative instruments include futures contracts and swap agreements.

In March 2008, FASB Statement No. 161, Disclosures about Derivative Instruments and Hedging Activities (the Standard) was issued, and is effective for financial statements issued for fiscal years and interim periods beginning after November 15, 2008. This Standard provides enhanced disclosures about the fund's use of and accounting for derivative instruments and the effect of derivative instruments on the fund's results of operations and financial position. Management is evaluating the application of the Standard to the fund, and believes the impact will be limited to expanded disclosures resulting from the adoption of this Standard in the fund's financial statements.

FASB Staff Position (FSP) 133-1 was implemented during the period. FSP 133-1 amends FAS 133 to require sellers of credit derivatives to make disclosures that will enable financial statement users to assess the potential effects of those credit derivatives on an entity's financial position, financial performance and cash flows. Accordingly, appropriate disclosures have been included within the Swap Agreements table in the Portfolio of Investments and Significant Accounting Policies.

**Futures Contracts** The fund may enter into futures contracts for the delayed delivery of securities or currency, or contracts based on financial indices at a fixed price on a future date. In entering such contracts, the fund is required to deposit with the broker either in cash or securities an amount equal to a certain percentage of the contract amount. Subsequent payments are made or received by the fund each day, depending on the daily fluctuations in the value of the contract, and are recorded for financial statement purposes as unrealized gains or losses by the fund. Upon entering into such contracts, the fund bears the risk of interest or exchange rates or securities prices moving unexpectedly, in which case, the fund may not achieve the anticipated benefits of the futures contracts and may realize a loss.

**Swap Agreements** The fund may enter into swap agreements. A swap is generally an exchange of cash payments, at specified intervals or upon the occurrence of specified events, between the fund and a counterparty. The net cash payments exchanged are recorded as a realized gain or loss on swap transactions in the Statement of Operations. The value of the swap, which is adjusted daily and includes any related interest accruals to be paid or received by the fund, is recorded on the Statement of Assets and Liabilities. The daily



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*Notes to Financial Statements (unaudited) continued*

change in value, including any related interest accruals to be paid or received, is recorded as unrealized appreciation or depreciation on swap transactions in the Statement of Operations. Amounts paid or received at the inception of the swap are reflected as premiums paid or received on the Statement of Assets and Liabilities and are amortized using the effective interest method over the term of the agreement. A liquidation payment received or made upon early termination is recorded as a realized gain or loss on swap transactions in the Statement of Operations.

Risks related to swap agreements include the possible lack of a liquid market, unfavorable market and interest rate movements of the underlying instrument and the failure of the counterparty to perform under the terms of the agreements. To address counterparty risk, swap transactions are limited to only highly-rated counterparties and collateral, in the form of cash or securities, may be required to be posted by the counterparty to the fund and held in segregated accounts with the fund's custodian. Counterparty risk is further mitigated by having ISDA Master Agreements between the fund and its counterparties providing for netting as described above.

The fund may enter into an interest rate swap in order to manage its exposure to interest rate fluctuations. Interest rate swap agreements involve the periodic exchange of cash flows, between the fund and a counterparty, based on the difference between two interest rates applied to a notional principal amount. The two interest rates exchanged may either be a fixed rate and a floating rate or two floating rates based on different indices.

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

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*Notes to Financial Statements (unaudited) continued*

self-deposited inverse floaters. If the bonds held by the trust are purchased by the investment banker for deposit into the trust from someone other than the purchasers of the inverse floaters, the inverse floating rate certificates that are issued by the trust are referred to as externally deposited inverse floaters. Such self-deposited inverse floaters held by the fund are accounted for as secured borrowings, with the municipal bonds reflected in the investments of the fund and amounts owed to the holder of the floating rate certificate under the provisions of the trust, which amounts are paid solely from the assets of the trust, reflected as liabilities of the fund in the Statement of Assets and Liabilities under the caption, Payable to the holder of the floating rate certificate from trust assets. At April 30, 2009, the fund's payable to the holder of the floating rate certificate from trust assets was \$10,000,000 and the interest rate on these floating rate certificates issued by the trust was 1.99%. For the six months ended April 30, 2009, the average daily payable to the holder of the floating rate certificate from trust assets was \$10,000,000 at a weighted average interest rate of 0.63%. Interest expense and fees relate to interest payments made to the holder of certain floating rate certificates and associated fees, both of which are made from trust assets. Interest expense and fees are recorded as incurred. For the six months ended April 30, 2009, interest expense and fees in connection with self-deposited inverse floaters was \$63,235. Primary and externally deposited inverse floaters held by the fund are not accounted for as secured borrowings.

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

**Investment Transactions and Income** Investment transactions are recorded on the trade date. Interest income is recorded on the accrual basis. All premium and discount is amortized or accreted for financial statement purposes in accordance with U.S. generally accepted accounting principles. The fund may receive proceeds from litigation settlements. Any proceeds received from litigation involving portfolio holdings are reflected in the Statement of Operations in realized gain/loss if the security has been disposed of by the fund or in unrealized gain/loss if the security is still held by the fund. Any other proceeds from litigation not related to portfolio holdings are reflected as other income in the Statement of Operations. Legal fees and other related expenses incurred to preserve and protect the value of a security owned are added to the cost of the security; other legal fees are expensed. Capital infusions made directly to the security issuer, which are generally

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*Notes to Financial Statements (unaudited) continued*

non-recurring, incurred to protect or enhance the value of high-yield debt securities, are reported as additions to the cost basis of the security. Costs that are incurred to negotiate the terms or conditions of capital infusions or that are expected to result in a plan of reorganization are reported as realized losses. Ongoing costs incurred to protect or enhance an investment, or costs incurred to pursue other claims or legal actions, are expensed.

**Fees Paid Indirectly** The fund's custody fee may be reduced according to an arrangement that measures the value of cash deposited with the custodian by the fund. This amount, for the six months ended April 30, 2009, is shown as a reduction of total expenses on the Statement of Operations.

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

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

Book/tax differences primarily relate to amortization and accretion of debt securities, defaulted bonds, derivative transactions, and secured borrowings.

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

	<b>10/31/08</b>
Ordinary income (including any short-term capital gains)	\$162,969
Tax-exempt income	23,371,425
<b>Total distributions</b>	<b>\$23,534,394</b>

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

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

<b>As of 4/30/09</b>	
Cost of investments	\$389,482,856
Gross appreciation	9,564,186
Gross depreciation	(71,634,402)
Net unrealized appreciation (depreciation)	\$(62,070,216)
<b>As of 10/31/08</b>	
Undistributed ordinary income	258,195
Undistributed tax-exempt income	2,424,680
Capital loss carryforwards	(29,667,814)
Other temporary differences	62,475
Net unrealized appreciation (depreciation)	(59,133,653)

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

As of October 31, 2008, the fund had capital loss carryforwards available to offset future realized gains. Such losses expire as follows:

10/31/09	\$(899,441)
10/31/10	(2,883,947)
10/31/11	(10,944,821)
10/31/12	(1,858,513)
10/31/13	(9,679,589)
10/31/16	(3,401,503)
	\$(29,667,814)

**(3) Transactions with Affiliates**

**Investment Adviser** The fund has an investment advisory agreement with Massachusetts Financial Services Company (MFS) to provide overall investment management and related administrative services and facilities to the fund. The management fee is computed daily and paid monthly at an annual rate of 0.40% of the fund's average weekly net assets (including the value of the auction preferred shares) and 6.32% of gross income. Gross income is calculated based on tax rules that generally include the amortization of premium and exclude the accretion of market discount, which may differ from investment income reported in the Statement of Operations. The management fee, from net assets and gross income, incurred for the six months ended April 30, 2009 was equivalent to an annual effective rate of 0.88% of the fund's average daily net assets including the value of the auction preferred shares.

**Transfer Agent** The fund engages Computershare Trust Company, N.A. ( Computershare ) as the sole transfer agent for the fund's common shares. MFS Service Center, Inc. (MFSC) monitors and supervises the activities of

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*Notes to Financial Statements (unaudited) continued*

Computershare for an agreed upon fee approved by the Board of Trustees. For the six months ended April 30, 2009, these fees paid to MFSC amounted to \$15,969. MFSC also receives payment from the fund for out-of-pocket expenses paid by MFSC on behalf of the fund. For the six months ended April 30, 2009, these costs amounted to \$18.

**Administrator** MFS provides certain financial, legal, shareholder communications, compliance, and other administrative services to the fund. Under an administrative services agreement, the fund partially reimburses MFS the costs incurred to provide these services. The fund is charged an annual fixed amount of \$17,500 plus a fee based on average daily net assets. The administrative services fee incurred for the six months ended April 30, 2009 was equivalent to an annual effective rate of 0.0237% of the fund's average daily net assets including the value of the auction preferred shares.

**Trustees and Officers Compensation** The fund pays compensation to independent trustees in the form of a retainer, attendance fees, and additional compensation to Board and Committee chairpersons. The fund does not pay compensation directly to trustees or to officers of the fund who are also officers of the investment adviser, all of whom receive remuneration for their services to the fund from MFS. Certain officers and trustees of the fund are officers or directors of MFS and MFSC.

For certain independent Trustees who retired on or before December 31, 2001, the fund has an unfunded, defined benefit plan which resulted in a pension expense of \$4,307. This amount is included in independent trustees' compensation for the six months ended April 30, 2009. The liability for deferred retirement benefits payable to certain retired independent trustees amounted to \$84,742 at April 30, 2009, and is included in payable for independent trustees' compensation.

**Other** This fund and certain other funds managed by MFS (the funds) have entered into services agreements (the Agreements) which provide for payment of fees by the funds to Tarantino LLC and Griffin Compliance LLC in return for the provision of services of an Independent Chief Compliance Officer (ICCO) and Assistant ICCO, respectively, for the funds. The ICCO and Assistant ICCO are officers of the funds and the sole members of Tarantino LLC and Griffin Compliance LLC, respectively. The funds can terminate the Agreements with Tarantino LLC and Griffin Compliance LLC at any time under the terms of the Agreements. For the six months ended April 30, 2009, the aggregate fees paid by the fund to Tarantino LLC and Griffin Compliance LLC were \$1,662 and are included in miscellaneous expense on the Statement of Operations. MFS has agreed to reimburse the fund for a portion of the payments made by the fund in the amount of \$623, which is shown as a reduction of total expenses in the Statement of Operations. Additionally, MFS has agreed to bear all expenses

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

associated with office space, other administrative support, and supplies provided to the ICCO and Assistant ICCO.

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

**(4) Portfolio Securities**

Purchases and sales of investments, other than U.S. Government securities, purchased option transactions, and short-term obligations, aggregated \$19,725,120 and \$21,390,220, respectively.

**(5) Shares of Beneficial Interest**

The fund's Declaration of Trust permits the Trustees to issue an unlimited number of full and fractional shares of beneficial interest. The fund reserves the right to repurchase shares of beneficial interest of the fund subject to Trustee approval. During the six months ended April 30, 2009, the fund did not repurchase any shares. Transactions in fund shares were as follows:

	Six months ended 4/30/09		Year ended 10/31/08	
	Shares	Amount	Shares	Amount
Shares issued to shareholders in reinvestment of distributions	17,612	\$92,288	118,316	\$838,133

**(6) Line of Credit**

The fund and certain other funds managed by MFS participate in a \$1.1 billion unsecured committed line of credit, subject to a \$1 billion sublimit, provided by a syndication of banks under a credit agreement. Borrowings may be made for temporary financing needs. Interest is charged to each fund, based on its borrowings, generally at a rate equal to the higher of the Federal Reserve funds rate or one month LIBOR plus 1.25%. A commitment fee, based on the average daily, unused portion of the committed line of credit, is allocated among the participating funds at the end of each calendar quarter. In addition, the fund and other funds managed by MFS have established unsecured uncommitted borrowing arrangements with certain banks for temporary financing needs. Interest is charged to each fund, based on its borrowings, currently at a rate equal to the Federal Reserve funds rate plus 0.30%. For the six months ended April 30, 2009, the fund's commitment fee and interest expense were \$691 and \$0, respectively, and are included in miscellaneous expense on the Statement of Operations.

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

An affiliated issuer may be considered one in which the fund owns 5% or more of the outstanding voting securities, or a company which is under common

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

control. For the purposes of this report, the fund assumes the following to be affiliated issuers:

	<b>Beginning Shares/Par Amount</b>	<b>Acquisitions Shares/Par Amount</b>	<b>Dispositions Shares/Par Amount</b>	<b>Ending Shares/Par Amount</b>
<b>Underlying Funds</b>				
MFS Institutional Money				
Market Portfolio		9,915,669	(9,852,262)	63,407
	<b>Realized Gain (Loss)</b>	<b>Capital Gain Distributions</b>	<b>Dividend Income</b>	<b>Ending Value</b>
<b>Underlying Funds</b>				
MFS Institutional Money				
Market Portfolio	\$	\$	\$769	\$63,407

**(8) Auction Preferred Shares**

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

Since February 2008, regularly scheduled auctions for APS issued by closed end funds, including MFS Municipal Income Trust, have consistently failed because of insufficient demand (bids to buy shares) to meet the supply (shares offered for sale) at each auction. In a failed auction, APS holders cannot sell their shares tendered for sale. While repeated auction failures have affected the liquidity for APS, they do not constitute a default or automatically alter the credit quality of the APS, and APS holders have continued to receive dividends at the previously defined maximum rate. During the six months ended April 30, 2009, the APS dividend rates ranged from 0.59% to 2.38%. For the six months ended April 30, 2009, the average dividend rate was 1.06%. These developments with respect to APS do not affect the management or investment policies of the fund. However, one implication of these auction failures for Common shareholders is that the fund's cost of leverage will be higher than it otherwise would have been had the auctions continued to be successful. As a result, the fund's future Common share earnings may be lower than they otherwise would have been. To the extent that investments are purchased with the issuance of preferred shares, the fund's net asset value will increase or decrease at a greater rate than a comparable unleveraged fund.

The fund pays an annual fee equivalent to 0.25% of the preferred share liquidation value for remarketing efforts associated with the preferred auction. Effective May 1, 2009, this fee will be reduced to 0.15% when auctions fail.

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*Notes to Financial Statements (unaudited) continued*

The APS are redeemable at the option of the fund in whole or in part at the redemption price equal to \$25,000 per share, plus accumulated and unpaid dividends. The APS are also subject to mandatory redemption if certain requirements relating to its asset maintenance coverage are not satisfied. The fund is required to maintain certain asset coverage with respect to the APS as defined in the fund's By-Laws and the Investment Company Act of 1940 and, as such is not permitted to declare common share dividends unless the fund's APS have a minimum asset coverage ratio of 200% after declaration of the common share dividends.

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## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Trustees and Shareholders of MFS Municipal Income Trust:

We have reviewed the accompanying statement of assets and liabilities of MFS Municipal Income Trust (the Trust), including the portfolio of investments, as of April 30, 2009, and the related statements of operations, changes in net assets, and the financial highlights for the six-month period ended April 30, 2009. These interim financial statements and financial highlights are the responsibility of the Trust's management.

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

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

We have previously audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the statement of changes in net assets for the year ended October 31, 2008, and the financial highlights for each of the five years in the period ended October 31, 2008, and in our report dated December 17, 2008, we expressed an unqualified opinion on such statement of changes in net assets and financial highlights.

DELOITTE & TOUCHE LLP

Boston, Massachusetts

June 17, 2009

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### BOARD REVIEW OF INVESTMENT ADVISORY AGREEMENT

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

### PROXY VOTING POLICIES AND INFORMATION

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

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

### QUARTERLY PORTFOLIO DISCLOSURE

The fund will file a complete schedule of portfolio holdings with the Securities and Exchange Commission (the Commission) for the first and third quarters of each fiscal year on Form N-Q. The fund's Form N-Q may be reviewed and copied at the:

Public Reference Room

Securities and Exchange Commission

100 F Street, NE, Room 1580

Washington, D.C. 20549

Information on the operation of the Public Reference Room may be obtained by calling the Commission at 1.800.SEC.0330. The fund's Form N-Q is available on the EDGAR database on the Commission's Internet Web site at <http://www.sec.gov>, and copies of this information may be obtained, upon payment of a duplicating fee, by electronic request at the following e-mail address: [publicinfo@sec.gov](mailto:publicinfo@sec.gov) or by writing the Public Reference Section at the above address.

A shareholder can also obtain the quarterly portfolio holdings report at *mfs.com*.

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## CONTACT US

Transfer Agent, Registrar and Dividend Disbursing Agent

Call

1-800-637-2304

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

Write

Computershare Trust Company, N.A.

P.O. Box 43078

Providence, RI 02940-3078

500 Boylston Street, Boston, MA 02116

New York Stock Exchange Symbol: MFM

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**ITEM 2. CODE OF ETHICS.**

The Registrant has not amended any provision in its Code of Ethics (the Code ) that relates to any element of the Code s definition enumerated in paragraph (b) of Item 2 of this Form N-CSR.

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

Not applicable for semi-annual reports.

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

Not applicable for semi-annual reports.

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

Not applicable for semi-annual reports.

**ITEM 6. SCHEDULE OF INVESTMENTS**

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

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

Not applicable for semi-annual reports.

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

There were no changes during this period.

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

<b>Period</b>	<b>(a) Total number of Shares Purchased</b>	<b>(b) Average Price Paid per Share</b>	<b>(c) Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs</b>	<b>(d) Maximum Number (or Approximate Dollar Value) of Shares that May Yet Be Purchased under the Plans or Programs</b>
11/01/08-11/30/08	0	N/A	0	4,037,818
12/01/08-12/31/08	0	N/A	0	4,037,818
1/01/09-1/31/09	0	N/A	0	4,037,818
2/01/09-2/28/09	0	N/A	0	4,037,818
3/01/09-3/31/09	0	N/A	0	4,039,579
4/01/09-4/30/09	0	N/A	0	4,039,579
<b>Total</b>	<b>0</b>		<b>0</b>	

Note: The Board of Trustees approves procedures to repurchase shares annually. The notification to shareholders of the program is part of the semi-annual and annual reports sent to shareholders. These annual programs begin on March 1<sup>st</sup> of each year. The programs conform to the conditions of Rule 10b-18 of the securities Exchange Act of 1934 and limit the aggregate number of shares that may be purchased in each annual period (March 1 through the following February 28) to 10% of the Registrant's outstanding shares as of the first day of the plan year (March 1). The aggregate number of shares available for purchase for the March 1, 2009 plan year is 4,039,579.

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

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

**ITEM 11. CONTROLS AND PROCEDURES.**

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

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**ITEM 12. EXHIBITS.**

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

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**Notice**

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

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SIGNATURES

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

Registrant MFS MUNICIPAL INCOME TRUST

By (Signature and Title)\* MARIA F. DWYER  
Maria F. Dwyer, President

Date: June 17, 2009

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

By (Signature and Title)\* MARIA F. DWYER  
Maria F. Dwyer, President  
(Principal Executive Officer)

Date: June 17, 2009

By (Signature and Title)\* JOHN M. CORCORAN  
John M. Corcoran, Treasurer  
(Principal Financial Officer

and Accounting Officer)

Date: June 17, 2009

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