

EATON VANCE MASSACHUSETTS MUNICIPAL INCOME TRUST
Form N-Q
October 30, 2006

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM N-Q

**QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED
MANAGEMENT INVESTMENT COMPANIES**

Investment Company Act File Number

811-09147

Eaton Vance Massachusetts Municipal Income Trust

(Exact Name of Registrant as Specified in Charter)

The Eaton Vance Building,

255 State Street, Boston, Massachusetts

(Address of Principal Executive Offices)

02109

(Zip code)

Alan R. Dynner, Esq.

Eaton Vance Management, 255 State Street, Boston, Massachusetts 02109

(Name and Address of Agent for Services)

Registrant's Telephone Number, Including Area Code:

(617) 482-8260

Date of Fiscal Year End:

November 30

Date of Reporting Period:

August 31, 2006

Item 1. Schedule of Investments

Eaton Vance Massachusetts Municipal Income Trust

as of August 31, 2006

PORTFOLIO OF INVESTMENTS (Unaudited)

Tax-Exempt Investments 149.5%

Principal
Amount

(000 s omitted)

| Principal Amount (000 s omitted) | Security | Value |
|-------------------------------------|--|----------------------|
| Education 26.5% | | |
| \$ 500 | Massachusetts Development Finance Agency, (Belmont Hill School), 5.00%, 9/1/31 | \$ 516,785 |
| 2,585 | Massachusetts Development Finance Agency, (Boston University), 5.45%, 5/15/59 | 2,845,439 |
| 500 | Massachusetts Development Finance Agency, (Massachusetts College of Pharmacy), 5.75%, 7/1/33 | 532,350 |
| 600 | Massachusetts Development Finance Agency, (Middlesex School), 5.00%, 9/1/33 | 619,116 |
| 500 | Massachusetts Development Finance Agency, (Mount Holyoke College), 5.25%, 7/1/31 | 522,500 |
| 1,500 | Massachusetts Development Finance Agency, (Wheeler School), 6.50%, 12/1/29 | 1,588,380 |
| 1,000 | Massachusetts Development Finance Agency, (Xaverian Brothers High School), 5.65%, 7/1/29 | 1,033,730 |
| 1,000 | Massachusetts Health and Educational Facilities Authority, (Boston College), 5.125%, 6/1/33 | 1,044,130 |
| 265 | Massachusetts Health and Educational Facilities Authority, (Williams College), 4.50%, 7/1/33 | 265,927 |
| 1,215 | Massachusetts Health and Higher Educational Facilities Authority, (Massachusetts Institute of Technology), 5.25%, 7/1/33 | 1,413,701 |
| 500 | Massachusetts Industrial Finance Agency, (Babson College), 5.25%, 10/1/27 | 512,615 |
| 400 | Massachusetts Industrial Finance Agency, (Belmont Hill School), 5.25%, 9/1/28 | 409,296 |
| | | \$ 11,303,969 |
| Electric Utilities 5.1% | | |
| 1,000 | Massachusetts Development Finance Agency, (Devens Electric System), 6.00%, 12/1/30 | 1,083,020 |
| 1,065 | Massachusetts Development Finance Agency, (Dominion Energy Brayton Point), (AMT), 5.00%, 2/1/36 | 1,086,247 |
| | | \$ 2,169,267 |
| Escrowed / Prerefunded 4.7% | | |
| 400 | Massachusetts Development Finance Agency, (Western New England College), Prerefunded to 12/1/12, 6.125%, 12/1/32 | 455,828 |
| 1,000 | Massachusetts Health and Educational Facilities Authority, (Winchester Hospital), Prerefunded to 7/1/10, 6.75%, 7/1/30 | 1,104,790 |
| 1,000 | Rail Connections, Inc., (Route 128 Parking), (ACA), Prerefunded to 7/1/09, 0.00%, 7/1/20 | 453,440 |
| | | \$ 2,014,058 |
| 1 | | |

| | | | |
|--|-----|---|---------------------|
| General Obligations 0.7% | | | |
| \$ | 250 | Massachusetts, 5.25%, 8/1/28 | \$ 285,605 |
| | | | \$ 285,605 |
| Health Care - Miscellaneous 2.9% | | | |
| 510 | | Massachusetts Development Finance Agency, (MCHSP Human Services), 6.60%, 8/15/29 | 512,866 |
| 700 | | Massachusetts Health and Educational Facilities Authority, (Learning Center for Deaf Children), 6.125%, 7/1/29 | 714,126 |
| | | | \$ 1,226,992 |
| Hospital 14.0% | | | |
| 1,000 | | Massachusetts Development Finance Agency, (Biomedical Research Corp.), 6.25%, 8/1/20 | 1,096,010 |
| 1,000 | | Massachusetts Health and Educational Facilities Authority, (Baystate Medical Center), 5.75%, 7/1/33 | 1,058,440 |
| 400 | | Massachusetts Health and Educational Facilities Authority, (Berkshire Health System), 6.25%, 10/1/31 | 428,732 |
| 105 | | Massachusetts Health and Educational Facilities Authority, (Central New England Health Systems), 6.30%, 8/1/18 | 105,477 |
| 1,100 | | Massachusetts Health and Educational Facilities Authority, (Covenant Health), 6.00%, 7/1/31 | 1,189,056 |
| 2,000 | | Massachusetts Health and Educational Facilities Authority, (South Shore Hospital), 5.75%, 7/1/29 | 2,110,640 |
| | | | \$ 5,988,355 |
| Housing 6.3% | | | |
| 650 | | Massachusetts Housing Finance Agency, (AMT), 5.00%, 12/1/28 | 661,290 |
| 2,000 | | Massachusetts Housing Finance Agency, (AMT), 5.10%, 12/1/37 | 2,044,460 |
| | | | \$ 2,705,750 |
| Industrial Development Revenue 1.6% | | | |
| 695 | | Massachusetts Industrial Finance Agency, (American Hingham Water Co.), (AMT), 6.60%, 12/1/15 | 701,060 |
| | | | \$ 701,060 |
| Insured-Education 16.8% | | | |
| 1,000 | | Massachusetts College Building Authority, (XLCA), 5.50%, 5/1/39 (1) | 1,195,920 |
| 1,000 | | Massachusetts Development Finance Agency, (Boston University), (XLCA), 5.375%, 5/15/39 | 1,149,010 |
| 455 | | Massachusetts Development Finance Agency, (College of the Holy Cross), (AMBAC), Variable Rate, 8.44%, 9/1/32 (2)(3) | 674,492 |
| 1,600 | | Massachusetts Development Finance Agency, (Franklin W. Olin College), (XLCA), 5.25%, 7/1/33 | 1,687,616 |
| 850 | | Massachusetts Health and Educational Facilities Authority, (Berklee College of Music), (MBIA), Variable Rate, 6.53%, 10/1/27 (2)(4) | 903,252 |
| 2 | | | |

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| | | | |
|---|-------|--|---------------------|
| \$ | 1,000 | Massachusetts Health and Educational Facilities Authority, (Northeastern University), (MBIA), 5.00%, 10/1/29 | \$ 1,029,190 |
| 500 | | Massachusetts Health and Educational Facilities Authority, (UMass-Worcester Campus), (FGIC), 5.25%, 10/1/31 | 528,710 |
| | | | \$ 7,168,190 |
| Insured-Electric Utilities 1.8% | | | |
| 750 | | Puerto Rico Electric Power Authority, (FSA), 5.25%, 7/1/29 | 792,158 |
| | | | \$ 792,158 |
| Insured-General Obligations 7.4% | | | |
| 1,000 | | Massachusetts, (AMBAC), Variable Rate, 9.175%, 8/1/30 (2)(3) | 1,546,960 |
| 500 | | Plymouth, (MBIA), 5.25%, 10/15/20 | 533,440 |
| 900 | | Puerto Rico, (FSA), Variable Rate, 6.32%, 7/1/27 (2)(3) | 1,061,451 |
| | | | \$ 3,141,851 |
| Insured-Miscellaneous 12.9% | | | |
| 2,000 | | Boston Convention Center, (AMBAC), 5.00%, 5/1/27 | 2,070,140 |
| 2,750 | | Massachusetts Development Finance Agency, (WGBH Educational Foundation), (AMBAC), 5.75%, 1/1/42 | 3,415,170 |
| | | | \$ 5,485,310 |
| Insured-Special Tax Revenue 6.2% | | | |
| 1,500 | | Martha s Vineyard Land Bank, (AMBAC), 5.00%, 5/1/32 | 1,558,890 |
| 680 | | Puerto Rico Infrastructure Financing Authority, (AMBAC), 0.00%, 7/1/28 | 254,089 |
| 385 | | Puerto Rico Infrastructure Financing Authority, (AMBAC), 0.00%, 7/1/37 | 93,166 |
| 570 | | Puerto Rico Infrastructure Financing Authority, (FGIC), 0.00%, 7/1/30 | 192,905 |
| 3,250 | | Puerto Rico Infrastructure Financing Authority, (FGIC), 0.00%, 7/1/45 | 539,728 |
| | | | \$ 2,638,778 |
| Insured-Transportation 6.1% | | | |
| 1,020 | | Massachusetts Turnpike Authority, Metropolitan Highway System, (MBIA), 0.00%, 1/1/29 | 364,589 |
| 1,100 | | Massachusetts Turnpike Authority, Metropolitan Highway System, (MBIA), Variable Rate, 6.594%, 1/1/37 (2)(3) | 1,166,748 |
| 1,000 | | Puerto Rico Highway and Transportation Authority, (AMBAC), Variable Rate, 6.617%, 7/1/28 (2)(3) | 1,083,490 |
| | | | \$ 2,614,827 |
| Nursing Home 2.7% | | | |
| 500 | | Boston Industrial Development Authority, (Alzheimer s Center), (FHA), 6.00%, 2/1/37 | 514,390 |
| 600 | | Massachusetts Health and Educational Facilities Authority, (Christopher House), 6.875%, 1/1/29 | 620,508 |
| | | | \$ 1,134,898 |
| 3 | | | |

| | | | |
|--|----------------|--|------------------------|
| Senior Living / Life Care | 3.6% | | |
| \$ | 1,500 | Massachusetts Development Finance Agency, (Berkshire Retirement), 5.625%, 7/1/29 | \$ 1,531,635 |
| | | | \$ 1,531,635 |
| Special Tax Revenue | 8.1% | | |
| 3,000 | | Massachusetts Bay Transportation Authority, (Sales Tax Revenue), 5.25%, 7/1/34 | 3,467,850 |
| | | | \$ 3,467,850 |
| Transportation | 5.7% | | |
| 1,350 | | Massachusetts Bay Transportation Authority, Variable Rate, 6.28%, 3/1/27 (2)(4) | 1,396,400 |
| 1,000 | | Puerto Rico Highway and Transportation Authority, 5.00%, 7/1/36 | 1,025,320 |
| | | | \$ 2,421,720 |
| Water and Sewer | 16.4% | | |
| 2,000 | | Massachusetts Water Pollution Abatement Trust, 5.00%, 8/1/32 | 2,070,800 |
| 2,000 | | Massachusetts Water Pollution Abatement Trust, 5.25%, 8/1/33 | 2,135,980 |
| 965 | | Massachusetts Water Pollution Abatement Trust, 5.375%, 8/1/27 | 1,012,748 |
| 2,000 | | Massachusetts Water Resources Authority, 4.00%, 8/1/46 | 1,766,300 |
| | | | \$ 6,985,828 |
| Total Tax-Exempt Investments | 149.5% | | |
| (identified cost \$59,371,336) | | | \$ 63,778,101 |
| Other Assets, Less Liabilities | 0.9% | | \$ 379,019 |
| Auction Preferred Shares Plus Cumulative Unpaid Dividends | (50.4)% | | \$ (21,505,121) |
| Net Assets Applicable to Common Shares | 100.0% | | \$ 42,651,999 |

| | |
|-------|--|
| ACA | ACA Financial Guaranty Corporation |
| AMBAC | AMBAC Financial Group, Inc. |
| AMT | Interest earned from these securities may be considered a tax preference item for purposes of the Federal Alternative Minimum Tax. |
| FGIC | Financial Guaranty Insurance Company |
| FHA | Federal Housing Administration |
| FSA | Financial Security Assurance, Inc. |
| MBIA | Municipal Bond Insurance Association |
| XLCA | XL Capital Assurance, Inc. |

The Trust invests primarily in debt securities issued by Massachusetts municipalities. The ability of the issuers of the debt securities to meet their obligations may be affected by economic developments in a specific industry or municipality. In order to reduce the risk associated with such economic developments, at August 31, 2006, 34.2% of total investments are backed by bond insurance of various financial institutions and financial guaranty assurance agencies. The aggregate percentage insured by an individual financial institution ranged from 2.0% to 16.8% of total investments.

- (1) Security (or a portion thereof) has been segregated to cover margin requirements on open financial futures contracts.
- (2) Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be sold in transactions exempt from registration, normally to qualified institutional buyers. At August 31, 2006, the aggregate value of the securities is \$7,832,793 or 18.4% of the Trust's net assets applicable to common shares.
- (3) Security has been issued as a leveraged inverse floater bond. The stated interest rate represents the rate in effect at August 31, 2006.
- (4) Security has been issued as an inverse floater bond. The stated interest rate represents the rate in effect at August 31, 2006.

A summary of financial instruments at August 31, 2006 is as follows:

Futures Contracts

| Expiration Date | Contracts | Position | Aggregate Cost | Value | Net Unrealized Depreciation |
|-----------------|------------------------|----------|------------------|------------------|-----------------------------|
| 12/06 | 100 U.S. Treasury Bond | Short | \$ (11,012,075) | \$ (11,106,250) | \$ (94,175) |

At August 31, 2006, the Trust had sufficient cash and/or securities to cover commitments under these contracts.

The cost and unrealized appreciation (depreciation) in value of the investments owned at August 31, 2006, as computed on a federal income tax basis, were as follows:

| | |
|------------------------------------|----------------------|
| Aggregate cost | \$ 59,366,766 |
| Gross unrealized appreciation | \$ 4,412,996 |
| Gross unrealized depreciation | (1,661) |
| Net unrealized appreciation | \$ 4,411,335 |

Item 2. Controls and Procedures

(a) It is the conclusion of the registrant's principal executive officer and principal financial officer that the effectiveness of the registrant's current disclosure controls and procedures (such disclosure controls and procedures having been evaluated within 90 days of the date of this filing) provide reasonable assurance that the information required to be disclosed by the registrant on this Form N-Q has been recorded, processed, summarized and reported within the time period specified in the Commission's rules and forms and that the information required to be disclosed by the registrant on this Form N-Q has been accumulated and communicated to the registrant's principal executive officer and principal financial officer in order to allow timely decisions regarding required disclosure.

(b) There have been no changes in the registrant's internal controls over financial reporting during the fiscal quarter for which the report is being filed that have materially affected, or are reasonably likely to materially affect the registrant's internal control over financial reporting.

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.

Eaton Vance Massachusetts Municipal Income Trust

By: /s/ Robert B. MacIntosh
Robert B. MacIntosh
President and Principal Executive Officer
Date: October 23, 2006

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

By: /s/ Robert B. MacIntosh
Robert B. MacIntosh
President and Principal Executive Officer
Date: October 23, 2006
By: /s/ Barbara E. Campbell
Barbara E. Campbell
Treasurer and Principal Financial Officer
Date: October 23, 2006
