

MASSACHUSETTS HEALTH & EDUCATION TAX EXEMPT TRUST  
Form N-Q  
May 29, 2008

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

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED  
MANAGEMENT INVESTMENT COMPANY

Investment Company Act file number 811-07660

Name of Fund: The Massachusetts Health & Education Tax-Exempt Trust (MHE)

Fund Address: 100 Bellevue Parkway, Wilmington, DE 19809

Name and address of agent for service: Donald C. Burke, Chief Executive  
Officer, The Massachusetts Health & Education Tax-Exempt Trust, 800  
Scudders Mill Road, Plainsboro, NJ, 08536. Mailing address: P.O. Box 9011,  
Princeton, NJ, 08543-9011

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

Date of fiscal year end: 12/31/2008

Date of reporting period: 01/01/2008 - 03/31/2008

Item 1 - Schedule of Investments

The Massachusetts Health & Education Tax-Exempt Trust  
Schedule of Investments as of March 31, 2008 (Unaudited)  
(Percentages shown are based on Net Assets)

Municipal Bonds

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Massachusetts - 166.2% Massachusetts State College Building Authority, Project Revenue  
Bonds, Series A, 5%, 5/01/31 (a)

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Massachusetts State College Building Authority, Project Revenue Refunding  
Bonds, Series B, 5.50%, 5/01/39 (b)

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Massachusetts State Development Finance Agency, Education Revenue Bonds  
(Belmont Hill School), 5%, 9/01/11 (c)

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Massachusetts State Development Finance Agency, Education Revenue Bonds  
(Middlesex School Project), 5%, 9/01/33

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Massachusetts State Development Finance Agency, Education Revenue Bonds  
(Xaverian Brothers High School), 5.65%, 7/01/29

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Massachusetts State Development Finance Agency, Educational Facility  
Revenue Bonds (Academy of the Pacific Rim),  
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Massachusetts State Development Finance Agency, First Mortgage Revenue Bonds (Edgecombe Project), Series A, 6.75%, 7/01/21

Massachusetts State Development Finance Agency, First Mortgage Revenue Bonds (Overlook Communities Inc.), Series A, 6.125%, 7/01/24

Massachusetts State Development Finance Agency, First Mortgage Revenue Refunding Bonds (Symmes Life Care, Inc. - Brookhaven at Lexington), Series A, 5%, 3/01/35 (e)

Massachusetts State Development Finance Agency, Human Service Provider Revenue Bonds (Seven Hills Foundation & Affiliates), 5%, 9/01/35 (e)

Massachusetts State Development Finance Agency, Resource Recovery Revenue Bonds (Ogden Haverhill Associates), AMT, Series A, 6.70%, 12/01/14

Massachusetts State Development Finance Agency Revenue Bonds (Boston University), Series T-1, 5%, 10/01/39 (a)

Massachusetts State Development Finance Agency Revenue Bonds (College of Pharmacy and Allied Health Services), Series D, 5%, 7/01/27 (f)

Massachusetts State Development Finance Agency Revenue Bonds (Franklin W. Olin College), Series B, 5.25%, 7/01/33 (b)

Massachusetts State Development Finance Agency Revenue Bonds (Linden Pond Inc. Facility), Series A, 5.75%, 11/15/35

Portfolio Abbreviations

To simplify the listings of The Massachusetts Health & Education Tax-Exempt Trust's portfolio holdings in the Schedule of Investments, we have abbreviated the names of many of the securities according to the list below.

AMT	Alternative Minimum Tax (subject to)
HFA	Housing Finance Agency
PCR	Pollution Control Revenue Bonds
VRDN	Variable Rate Demand Notes

The Massachusetts Health & Education Tax-Exempt Trust  
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Municipal Bonds

Massachusetts State Development Finance Agency Revenue Bonds (Massachusetts College of Pharmacy and Health Sciences), 5.75%, 7/01/13 (c)

Massachusetts State Development Finance Agency Revenue Bonds (Massachusetts Council of Human Service Providers, Inc.), Series C, 6.60%, 8/15/29

Massachusetts State Development Finance Agency Revenue Bonds

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(Smith College), 5%, 7/01/35

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Massachusetts State Development Finance Agency Revenue Bonds  
(Volunteers of America - Ayer Limited Partnership), AMT,  
Series A, 6.20%, 2/20/46 (g)

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Massachusetts State Development Finance Agency Revenue Bonds  
(WGBH Educational Foundation), Series A, 5.75%, 1/01/42 (a)

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Massachusetts State Development Finance Agency Revenue Bonds  
(Western New England College), 5.875%, 12/01/12 (c)

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Massachusetts State Development Finance Agency Revenue Bonds  
(The Wheeler School), 6.50%, 12/01/29

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Massachusetts State Development Finance Agency Revenue Bonds  
(Williston Northampton School Project), 5%, 10/01/25 (b)

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Massachusetts State Development Finance Agency Revenue Bonds  
(Worcester Polytechnic Institute), 5%, 9/01/27 (h)

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Massachusetts State Development Finance Agency, Revenue Refunding  
Bonds (Boston University), Series P, 5.45%, 5/15/59

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Massachusetts State Development Finance Agency, Revenue Refunding  
Bonds (Clark University), 5.125%, 10/01/35 (b)

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Massachusetts State Development Finance Agency, Revenue Refunding  
Bonds (Western New England College), Series A, 5%, 9/01/33 (f)

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Massachusetts State Development Finance Agency, Revenue Refunding Bonds  
(Wheelock College), Series C, 5.25%, 10/01/37

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Massachusetts State, HFA, Housing Revenue Bonds, AMT, Series A,  
5.25%, 12/01/48

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Massachusetts State Health and Educational Facilities Authority,  
Healthcare System Revenue Refunding Bonds (Covenant Health System),  
6%, 1/01/12 (c)

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Massachusetts State Health and Educational Facilities Authority,  
Healthcare System Revenue Refunding Bonds (Covenant Health System),  
6%, 1/01/12 (c) (i)

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Massachusetts State Health and Educational Facilities Authority,  
Healthcare System Revenue Refunding Bonds (Covenant Health System),  
6%, 7/01/22

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The Massachusetts Health & Education Tax-Exempt Trust  
Schedule of Investments as of March 31, 2008 (Unaudited)  
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Municipal Bonds

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Massachusetts State Health and Educational Facilities Authority,  
Healthcare System Revenue Refunding Bonds (Covenant Health System),  
6%, 7/01/31

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Massachusetts State Health and Educational Facilities Authority Revenue  
Bonds (Baystate Medical Center), Series F, 5.75%, 7/01/33

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Massachusetts State Health and Educational Facilities Authority Revenue  
Bonds (Berkshire Health System), Series E, 6.25%, 10/01/31

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Massachusetts State Health and Educational Facilities Authority Revenue  
Bonds (Berkshire Health System), Series F, 5%, 10/01/19 (f)

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Massachusetts State Health and Educational Facilities Authority Revenue  
Bonds (Harvard University), Series FF, 5.125%, 7/15/37

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Massachusetts State Health and Educational Facilities Authority Revenue  
Bonds (Lahey Clinic Medical Center), Series D, 5.25%, 8/15/37

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Massachusetts State Health and Educational Facilities Authority Revenue  
Bonds (Milford-Whitinsville Hospital), Series D, 6.35%, 7/15/12 (c)

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Massachusetts State Health and Educational Facilities Authority Revenue  
Bonds (Partners Healthcare System), VRDN, Series D-5,  
1.15%, 7/01/17 (j)

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Massachusetts State Health and Educational Facilities Authority Revenue  
Bonds (Partners Healthcare System), VRDN, Series P-1,  
1.90%, 7/01/27 (j) (k)

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Massachusetts State Health and Educational Facilities Authority Revenue  
Bonds (Simmons College), Series F, 5%, 10/01/13 (c) (l)

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Massachusetts State Health and Educational Facilities Authority Revenue  
Bonds (University of Massachusetts), Series C, 5.125%, 10/01/34 (l)

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Massachusetts State Health and Educational Facilities Authority Revenue  
Bonds (Wheaton College), Series D, 6%, 1/01/18

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Massachusetts State Health and Educational Facilities Authority, Revenue  
Refunding Bonds (Bay Cove Human Services Issue), Series A,  
5.90%, 4/01/28

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Massachusetts State Health and Educational Facilities Authority, Revenue  
Refunding Bonds (Berklee College of Music), Series A, 5%, 10/01/37

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Massachusetts State Health and Educational Facilities Authority, Revenue  
Refunding Bonds (Boston College), Series N, 5.125%, 6/01/37

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Massachusetts State Health and Educational Facilities Authority, Revenue  
Refunding Bonds (Christopher House), Series A, 6.875%, 1/01/29

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The Massachusetts Health & Education Tax-Exempt Trust  
Schedule of Investments as of March 31, 2008 (Unaudited)

(Percentages shown are based on Net Assets)

Municipal Bonds

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Massachusetts State Health and Educational Facilities Authority,  
Revenue Refunding Bonds (Learning Center For Deaf Children),  
Series C, 6.125%, 7/01/29

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Massachusetts State Health and Educational Facilities Authority,  
Revenue Refunding Bonds (Massachusetts Institute of Technology),  
Series L, 5%, 7/01/23

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Massachusetts State Health and Educational Facilities Authority,  
Revenue Refunding Bonds (Partners Healthcare System), Series C,  
5.75%, 7/01/11 (c)

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Massachusetts State Health and Educational Facilities Authority,  
Revenue Refunding Bonds (Partners Healthcare System), Series C,  
5.75%, 7/01/32

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Massachusetts State Health and Educational Facilities Authority,  
Revenue Refunding Bonds (Valley Regional Health System), Series C,  
5.75%, 7/01/18 (m)

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Massachusetts State Health and Educational Facilities Authority,  
Revenue Refunding Bonds (Wellesley College),  
5%, 7/01/33

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Massachusetts State Industrial Finance Agency, Health Care Facility  
Revenue Bonds (Age Institute of Massachusetts Project), 8.05%,  
11/01/25

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Massachusetts State Industrial Finance Agency, PCR (General Motors  
Corporation), 5.55%, 4/01/09

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Massachusetts State Industrial Finance Agency Revenue Bonds (Wentworth  
Institute of Technology), 5.75%, 10/01/08 (c)

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Massachusetts State Industrial Finance Agency, Senior Living Facility  
Revenue Bonds (Forge Hill Project), AMT, 6.75%, 4/01/08 (c)

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Massachusetts State School Building Authority, Dedicated Sales Tax  
Revenue Bonds, Series A, 5%, 8/15/30 (k)

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Rail Connections, Inc., Massachusetts, Capital Appreciation Revenue  
Bonds (Route 128 Parking Garage), Series B, 6.53%, 7/01/09 (c) (d) (n)

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University of Massachusetts Building Authority, Project Revenue  
Refunding Bonds, Senior Series 04-1, 5.125%, 11/01/14 (a) (d)

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Total Municipal Bonds (Cost - \$48,888,561\*) - 166.2%

Other Assets Less Liabilities - 2.1%

Preferred Shares, at Redemption Value - (68.3%)

Net Assets Applicable to Common Shares - 100.0%

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The Massachusetts Health & Education Tax-Exempt Trust  
 Schedule of Investments as of March 31, 2008 (Unaudited)

\* The cost and unrealized appreciation (depreciation) of investments as of March 31, 2008, as computed for federal income tax purposes, were as follows:

Aggregate cost	\$ 48,891,202
	=====
Gross unrealized appreciation	\$ 1,168,007
Gross unrealized depreciation	(1,301,598)
	-----
Net unrealized depreciation	\$ (133,591)
	=====

- (a) AMBAC Insured.
- (b) XL Capital Insured.
- (c) U.S. government securities, held in escrow, are used to pay interest on this security, as well as retire the bond in full at the date indicated, typically at a premium to par.
- (d) ACA Insured.
- (e) Radian Insured.
- (f) Assured Guaranty Insured.
- (g) GNMA Collateralized.
- (h) MBIA Insured.
- (i) Represents a pay-in-kind security which may pay interest/dividends in additional face/shares.
- (j) Variable rate security. Rate shown is interest rate as of report date.
- (k) FSA Insured.
- (l) FGIC Insured.
- (m) Connie Lee Insured.
- (n) Represents a zero coupon bond; the interest rate shown reflects the effective yield at the time of purchase.
- o Forward interest rate swap outstanding as of March 31, 2008 was as follows:

	Notional Amount (000)	Unrealized Appreciation
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Pay a fixed rate of 3.509% and receive a floating rate based on 1-week (SIMFA) Municipal Swap Index Rate		
Broker, JPMorgan Chase		
Expires June 2023	\$2,500	\$1,248
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The Massachusetts Health & Education Tax-Exempt Trust

- o Effective January 1, 2008, The Massachusetts Health & Education Tax-Exempt Trust (the "Trust") adopted FASB Statement of Financial Accounting Standards No. 157, "Fair Value Measurements" ("FAS 157"). FAS 157 clarifies the definition of fair value, establishes a framework for measuring fair values and requires additional disclosures about the use of fair value measurements. Various inputs are used in determining the fair value of investments, which are as follows:
  - o Level 1 - price quotations in active markets/exchanges for identical securities
  - o Level 2 - other observable inputs (including, but not limited to: quoted prices for similar assets or liabilities in markets that are not active, inputs other than quoted prices that are

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

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. For information about the Trust's policy regarding valuation of investments and other significant accounting policies, please refer to the Trust's most recent financial statements as contained in its annual report.

The following table summarizes the inputs used as of March 31, 2008 in determining the fair valuation of the Trust's investments:

Valuation Inputs	Investments in Securities	Other Financial Instruments*
Level 1	0	0
Level 2	\$48,757,611	\$ 1,248
Level 3	0	0
<b>Total</b>	<b>\$48,757,611</b>	<b>\$ 1,248</b>

\*Other financial instruments are derivative instruments not reflected in the Schedule of Investments, such as swaps, which are valued at the unrealized appreciation/depreciation on the investment.

Item 2 - Controls and Procedures

- 2(a) - The registrant's principal executive and principal financial officers or persons performing similar functions have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940, as amended (the "1940 Act")) are effective as of a date within 90 days of the filing of this report based on the evaluation of these controls and procedures required by Rule 30a-3(b) under the 1940 Act and Rule 13a-15(b) under the Securities Exchange Act of 1934, as amended.
- 2(b) - There were no changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the 1940 Act) that occurred during the registrant's last fiscal quarter that have materially affected, or are reasonably likely to materially affect, the registrant's internal control over financial reporting.

Item 3 - Exhibits

Certifications - Attached hereto

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

The Massachusetts Health & Education Tax-Exempt Trust

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By: /s/ Donald C. Burke

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Donald C. Burke  
Chief Executive Officer of  
The Massachusetts Health & Education Tax-Exempt Trust

Date: May 22, 2008

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/ Donald C. Burke

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Donald C. Burke  
Chief Executive Officer (principal executive officer) of  
The Massachusetts Health & Education Tax-Exempt Trust

Date: May 22, 2008

By: /s/ Neal J. Andrews

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Neal J. Andrews  
Chief Financial Officer (principal financial officer) of  
The Massachusetts Health & Education Tax-Exempt Trust

Date: May 22, 2008