

EATON VANCE MICHIGAN MUNICIPAL INCOME TRUST
Form N-Q
May 01, 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

811-09153

**Eaton Vance Michigan 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 Service)

Registrant's Telephone Number, Including Area Code:

(617) 482-8260

Date of Fiscal Year End:

November 30

Date of Reporting Period:

February 28, 2006

Item 1. Schedule of Investments

Eaton Vance Michigan Municipal Income Trust

as of February 28, 2006

PORTFOLIO OF INVESTMENTS (Unaudited)

Tax-Exempt Investments 153.2%

Principal

Amount

(000 s omitted)

| Amount (000 s omitted) | Security | Value |
|---|---|---------------------|
| Education 5.8% | | |
| \$ 1,250 | Michigan Higher Education Facilities Authority, (Creative Studies), 5.90%, 12/1/27 | \$ 1,292,137 |
| 540 | Michigan Higher Education Facilities Authority, (Hillsdale College), 5.00%, 3/1/35 | 555,061 |
| | | \$ 1,847,198 |
| Electric Utilities 7.4% | | |
| 1,250 | Michigan Strategic Fund, (Detroit Edison Pollution Control), 5.45%, 9/1/29 | 1,296,200 |
| 1,000 | Puerto Rico Electric Power Authority, 5.25%, 7/1/31 | 1,057,920 |
| | | \$ 2,354,120 |
| Escrowed / Prerefunded 6.9% | | |
| 500 | Kent Hospital Finance Authority, (Spectrum Health), Prerefunded to 7/15/11, 5.50%, 1/15/31 | 548,220 |
| 750 | Michigan Hospital Finance Authority, (Ascension Health Care), Prerefunded to 11/15/09, 6.125%, 11/15/26 | 823,042 |
| 800 | Woodhaven Brownstown School District, Prerefunded to 5/1/12, 5.125%, 5/1/32 | 838,064 |
| | | \$ 2,209,326 |
| General Obligations 18.0% | | |
| 500 | East Grand Rapids Public Schools, 5.00%, 5/1/25 | 527,610 |
| 500 | Garden City School District, 5.00%, 5/1/26 | 518,520 |
| 5,335 | Grand Rapids and Kent County Joint Building Authority, 0.00%, 12/1/29 | 1,805,364 |
| 1,000 | Manistee Area Public Schools, 5.00%, 5/1/24 | 1,055,220 |
| 750 | Puerto Rico Public Buildings Authority, Commonwealth Guaranteed, 5.25%, 7/1/29 | 796,755 |
| 1,000 | White Cloud Public Schools, 5.125%, 5/1/31 | 1,041,150 |
| | | \$ 5,744,619 |
| Health Care - Miscellaneous 0.7% | | |
| 220 | Pittsfield Township EDC, (Arbor Hospice), 7.875%, 8/15/27 | 228,466 |
| | | \$ 228,466 |
| Hospital 28.9% | | |
| 500 | Allegan Hospital Finance Authority, (Allegan General Hospital), 7.00%, 11/15/21 | 531,320 |
| 125 | Gaylord Hospital Finance Authority, (Otsego Memorial Hospital Association), 6.20%, 1/1/25 | 129,071 |
| 125 | Gaylord Hospital Finance Authority, (Otsego Memorial Hospital Association), 6.50%, 1/1/37 | 129,644 |

1

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| | | | |
|--|-----|---|---------------------|
| \$ | 500 | Macomb County Hospital Finance Authority, (Mount Clemens General Hospital), 5.875%, 11/15/34 | \$ 508,685 |
| 500 | | Mecosta County, (Michigan General Hospital), 6.00%, 5/15/18 | 513,505 |
| 1,000 | | Michigan Hospital Finance Authority, (Central Michigan Community Hospital), 6.25%, 10/1/27 | 1,020,360 |
| 1,000 | | Michigan Hospital Finance Authority, (Henry Ford Health), 5.25%, 11/15/20 | 1,021,380 |
| 1,000 | | Michigan Hospital Finance Authority, (McLaren Healthcare), 5.00%, 8/1/35 | 1,027,580 |
| 750 | | Michigan Hospital Finance Authority, (Memorial Healthcare Center), 5.875%, 11/15/21 | 790,552 |
| 750 | | Michigan Hospital Finance Authority, (Sparrow Obligation Group), 5.625%, 11/15/36 | 789,667 |
| 1,000 | | Michigan Hospital Finance Authority, (Trinity Health), 6.00%, 12/1/27 | 1,097,280 |
| 750 | | Royal Oak Hospital Finance Authority, (William Beaumont Hospital), 5.25%, 1/1/20 | 765,173 |
| 800 | | Saginaw Hospital Finance Authority, (Covenant Medical Center), 6.50%, 7/1/30 | 870,488 |
| | | | \$ 9,194,705 |
| Industrial Development Revenue 9.9% | | | |
| 1,000 | | Detroit Local Development Finance Authority, (Chrysler Corp.), 5.375%, 5/1/21 | 1,021,550 |
| 800 | | Dickinson County Economic Development Corp., (International Paper Co.), 5.75%, 6/1/16 | 856,208 |
| 750 | | Michigan Strategic Fund, (Waste Management, Inc.), (AMT), 4.625%, 12/1/12 | 753,930 |
| 625 | | Puerto Rico Port Authority, (American Airlines), (AMT), 6.25%, 6/1/26 | 512,331 |
| | | | \$ 3,144,019 |
| Insured-Education 0.8% | | | |
| 250 | | Central Michigan University, (AMBAC), 4.75%, 10/1/29 | 256,875 |
| | | | \$ 256,875 |
| Insured-Electric Utilities 5.0% | | | |
| 1,000 | | Michigan Strategic Fund Resource Recovery, (Detroit Edison Co.), (MBIA), (AMT), 5.55%, 9/1/29 | 1,058,000 |
| 500 | | Michigan Strategic Fund Resource Recovery, (Detroit Edison Co.), (XLCA), 5.25%, 12/15/32 | 526,530 |
| | | | \$ 1,584,530 |
| Insured-Escrowed/Prerefunded 22.3% | | | |
| 1,000 | | Central Montcalm Public Schools, (MBIA), Prerefunded to 5/1/09, 6.00%, 5/1/29 | 1,075,140 |
| 2,000 | | Fenton Area Public Schools, (FGIC), Prerefunded to 5/1/08, 5.00%, 5/1/24 | 2,065,260 |
| 2 | | | |

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|---|-------|--|---------------------|
| \$ | 2,000 | Novi Building Authority, (FSA), Prerefunded to 10/1/10, 5.50%, 10/1/25 | \$ 2,179,520 |
| 600 | | Puerto Rico Highway and Transportation Authority, (MBIA), Prerefunded to 7/1/06, Variable Rate, 10.084%, 7/1/26 (1)(2) | 640,374 |
| 600 | | Puerto Rico Infrastructure Financing Authority, (AMBAC), Prerefunded to 1/1/08, Variable Rate, 6.785%, 7/1/28 (1)(3) | 646,638 |
| 455 | | Puerto Rico Infrastructure Financing Authority, (AMBAC), Prerefunded to 1/1/08, Variable Rate, 8.151%, 7/1/28 (1)(2) | 505,400 |
| | | | \$ 7,112,332 |
| Insured-General Obligations 8.8% | | | |
| 650 | | Detroit School District, (FGIC), 4.75%, 5/1/28 | 659,640 |
| 200 | | Eaton Rapids Public Schools, (MBIA), 4.75%, 5/1/25 | 202,604 |
| 700 | | Puerto Rico, (FSA), Variable Rate, 9.36%, 7/1/27 (1)(2) | 834,358 |
| 1,000 | | St. Johns Public Schools, (FGIC), 5.10%, 5/1/25 | 1,122,590 |
| | | | \$ 2,819,192 |
| Insured-Hospital 6.6% | | | |
| 1,000 | | Royal Oak Hospital Finance Authority, (William Beaumont Hospital), (MBIA), 5.25%, 11/15/35 | 1,045,030 |
| 1,000 | | Saginaw Hospital Finance Authority, (Covenant Medical Center), (MBIA), 5.50%, 7/1/24 | 1,060,990 |
| | | | \$ 2,106,020 |
| Insured-Sewer Revenue 5.1% | | | |
| 550 | | Detroit Sewer Disposal, (MBIA), 5.00%, 7/1/30 | 579,546 |
| 1,000 | | Detroit Sewer Disposal, (FGIC), 5.125%, 7/1/31 | 1,056,530 |
| | | | \$ 1,636,076 |
| Insured-Special Tax Revenue 7.4% | | | |
| 2,250 | | Wayne Charter County, (Airport Hotel-Detroit Metropolitan Airport), (MBIA), 5.00%, 12/1/30 | 2,351,453 |
| | | | \$ 2,351,453 |
| Insured-Student Loan 3.3% | | | |
| 1,000 | | Michigan Higher Education Student Loan Authority Revenue, (AMBAC), (AMT), 5.50%, 6/1/25 (4) | 1,040,160 |
| | | | \$ 1,040,160 |
| Insured-Transportation 8.8% | | | |
| 670 | | Puerto Rico Highway and Transportation Authority, (AMBAC), Variable Rate, 8.584%, 7/1/28 (1)(2) | 741,402 |
| 2,000 | | Wayne Charter County Airport, Residual Certificates, (MBIA), (AMT), Variable Rate, 6.68%, 12/1/28 (1)(3) | 2,071,680 |
| | | | \$ 2,813,082 |
| Insured-Water Revenue 5.4% | | | |
| 1,650 | | Detroit Water Supply System, (FGIC), 5.00%, 7/1/30 | 1,704,912 |
| | | | \$ 1,704,912 |

3

| | | | |
|--|----------------|---|-------------------------|
| Lease Revenue/Certificates of Participation | 0.8% | | |
| \$ | 250 | Puerto Rico, (Guaynabo Municipal Government Center Lease), 5.625%, 7/1/22 | \$ 256,003 |
| | | | \$ 256,003 |
| Transportation | 1.3% | | |
| 375 | | Kent County Airport Facility, Variable Rate, 10.04%, 1/1/25 (1)(2) | 407,475 |
| | | | \$ 407,475 |
| Total Tax-Exempt Investments | 153.2% | | |
| (identified cost \$44,783,145) | | | \$ 48,810,563 |
| Other Assets, Less Liabilities | 1.8% | | \$ 566,406 |
| Auction Preferred Shares Plus Cumulative Unpaid Dividends | (55.0)% | | \$ (17,508,340) |
| Net Assets Applicable to Common Shares | 100.0% | | \$ 31,868,629 |

| | |
|-------|--|
| 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 |
| FSA | Financial Security Assurance, Inc. |
| MBIA | Municipal Bond Insurance Association |
| XLCA | XL Capital Assurance, Inc. |

The Trust invests primarily in debt securities issued by Michigan 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 February 28, 2006, 48.0% of the securities in the portfolio of 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 1.1% to 20.7% of total investments.

- (1) 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 February 28, 2006, the aggregate value of the securities is \$5,847,327 or 18.3% of the Trust's net assets.
- (2) Security has been issued as a leveraged inverse floater bond. The stated interest rate represents the rate in effect at February 28, 2006.
- (3) Security has been issued as an inverse floater bond. The stated interest rate represents the rate in effect at February 28, 2006.
- (4) Security (or a portion thereof) has been segregated to cover margin requirements on open financial futures contracts.

A summary of financial instruments at February 28, 2006 is as follows:

Futures Contracts

| Expiration Date(s) | Contracts | Position | Aggregate Cost | Value | Net Unrealized Depreciation |
|--------------------|-----------------------|----------|-----------------|-----------------|-----------------------------|
| 6/06 | 30 U.S. Treasury Bond | Short | \$ (3,385,654) | \$ (3,392,813) | \$ (7,159) |
| 6/06 | 12 U.S. Treasury Note | Short | (1,290,617) | (1,294,875) | (4,258) |
| | | | | | \$ (11,417) |

At February 28, 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 February 28, 2006 as computed on a federal income tax basis, were as follows:

| | |
|------------------------------------|----------------------|
| Aggregate cost | \$ 44,725,322 |
| Gross unrealized appreciation | \$ 4,193,948 |
| Gross unrealized depreciation | (108,707) |
| Net unrealized appreciation | \$ 4,085,241 |

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 Michigan Municipal Income Trust

By: /s/ Cynthia J. Clemson
Cynthia J. Clemson
President and Principal Executive Officer
Date: April 18, 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/ Cynthia J. Clemson
Cynthia J. Clemson
President and Principal Executive Officer
Date: April 18, 2006
By: /s/ Barbara E. Campbell
Barbara E. Campbell
Treasurer and Principal Financial Officer
Date: April 18, 2006
