

EATON VANCE MUNICIPAL INCOME TRUST  
Form N-CSR  
January 27, 2004

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED  
MANAGEMENT INVESTMENT COMPANIES

Investment Company Act File Number: 811-09157  
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Eaton Vance Municipal Income Trust  
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(Exact Name of Registrant as Specified in Charter)

The Eaton Vance Building, 255 State Street, Boston, Massachusetts 02109  
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(Address of Principal Executive Offices)

Alan R. Dynner

The Eaton Vance Building, 255 State Street, Boston, Massachusetts 02109  
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(Name and Address of Agent for Services)

(617) 482-8260  
-----

(Registrant's Telephone Number)

November 30  
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Date of Fiscal Year End

November 30, 2003  
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Date of Reporting Period

ITEM 1. REPORTS TO STOCKHOLDERS

[EV LOGO]

[GRAPHIC IMAGE]

ANNUAL REPORT NOVEMBER 30, 2003

[GRAPHIC IMAGE]

EATON VANCE  
MUNICIPAL  
INCOME  
TRUST

[GRAPHIC IMAGE]

EATON VANCE FUNDS

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EATON VANCE MANAGEMENT  
BOSTON MANAGEMENT AND RESEARCH  
EATON VANCE DISTRIBUTORS, INC.

### PRIVACY NOTICE

The Eaton Vance organization is committed to ensuring your financial privacy. This notice is being sent to comply with privacy regulations of the Securities and Exchange Commission. Each of the above financial institutions has in effect the following policy with respect to nonpublic personal information about its customers:

- Only such information received from you, through application forms or otherwise, and information about your Eaton Vance fund transactions will be collected.
- None of such information about you (or former customers) will be disclosed to anyone, except as permitted by law (which includes disclosure to employees necessary to service your account).
- Policies and procedures (including physical, electronic and procedural safeguards) are in place that are designed to protect the confidentiality of such information.

For more information about Eaton Vance's privacy policies, call:  
1-800-262-1122.

### IMPORTANT NOTICE REGARDING DELIVERY OF SHAREHOLDER DOCUMENTS

The Securities and Exchange Commission permits funds to deliver only one copy of shareholder documents, including prospectuses, proxy statements and shareholder reports, to fund investors with multiple accounts at the same residential or post office box address. This practice is often called "householding" and it helps eliminate duplicate mailings to shareholders.

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From time to time, funds are required to vote proxies related to the securities held by the funds. The Eaton Vance Funds or their underlying Portfolios vote proxies according to a set of policies and procedures approved by the Funds' and Portfolios' Boards. You may obtain a description of these policies and procedures without charge, upon request, by calling 1-800-262-1122. This description is also available on the Securities and Exchange Commission's website at <http://www.sec.gov>.

EATON VANCE MUNICIPAL INCOME TRUST as of November 30, 2003

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LETTER TO SHAREHOLDERS

[PHOTO OF THOMAS J.FETTER]

Thomas J. Fetter  
President

Amid the market volatility and external political shocks of recent years, many investors have become more concerned with risk management. That trend has been especially true in the municipal bond market, where the use of bond insurance has become increasingly common. Today, roughly half of all municipal bond issuance is composed of insured bonds. As part of our continuing educational series, we thought it might be helpful to discuss bond insurance and its impact on the municipal market.

THE USE OF BOND INSURANCE HAS GROWN DRAMATICALLY OVER THE YEARS...

Municipal bond insurance was initially developed in 1971, when AMBAC Assurance Corp., the nation's first municipal insurer, offered insurance as a way to guarantee principal and interest payments on bond issues in the event of a bond default. Over the following three decades, the municipal market has witnessed a surge in the use of insurance. For example, in 1980, just 3% of all municipal issuance was insured. However, by late 2003, that figure had risen to roughly 50%. Insurance has clear benefits for purchasers: the elimination of default risk of the underlying issuer, AAA quality ratings and an enhancement of an issue's liquidity. (It's important to note that, while insured bonds are insured as to principal and interest payments, they still remain subject to interest rate and market risks.)

THE MECHANICS OF MUNICIPAL BOND INSURANCE...

We start with the underlying reality that an issuer with a AAA credit rating will pay less in interest expense than an issuer with a lower credit rating. Thus, an issuer must first determine whether purchasing insurance is financially feasible. That is, will the interest savings offset the cost of insurance? If so, the issuer must then qualify for insurance. Just as an individual must qualify for insurance, so too must a bond issuer meet certain criteria. The issuer provides key financial data and documents to potential insurers that are then used to assess the issuer's financial strength and underlying fundamentals. If the issuer qualifies, insurance is then effected by "direct purchase," with the payment of a one-time premium by the issuer. The premium fee is calculated as a percentage of the value of the bond issue - typically, around 50 basis points (0.50%), but more if the credit entails higher risk. (An alternative method of purchase involves "elective bidding," in which the insurance is purchased by bond dealers, who determine at the time the bond is sold whether it is more attractive as an insured or uninsured bond.)

IN-DEPTH CREDIT ANALYSIS INCLUDES INSURERS AS WELL AS BOND ISSUERS...

When analyzing municipal bonds, an investor naturally researches the issuer's fundamentals. However, if the bond is insured, the analyst is concerned with the soundness of the insurer as well. At Eaton Vance, analysis of the insured segment is an integral part of our total municipal research effort. Research includes, among other areas, analysis of an insurer's claims-paying ability, its capital structure and the overall quality of its portfolio of policies. Based on claims-paying ability, there are currently six bond insurers rated AAA by Moody's Investor Services, Standard & Poor's and Fitch - the nation's leading rating agencies.

INSURERS CAN PLAY A VALUABLE ROLE IN STRUCTURING BOND DEALS AND IMPROVING CREDIT QUALITY...

Insurers play an important role in capital formation for municipal borrowers,

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working closely with municipal officials to forge deals that raise capital for vital projects at affordable interest rates. In so doing, the insurers can help states and municipalities achieve more efficient fiscal management. Insurers often re-structure bond deals by insisting on provisions that are intended to make the deal more secure. That has proved a major benefit to investors in recent years. In a more risk-conscious climate, we believe that an ongoing analysis of the insured market is a necessary discipline to invest successfully in today's municipal market.

Sincerely,  
/s/ Thomas J. Fetter

Thomas J. Fetter  
President  
January 7, 2004

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EATON VANCE MUNICIPAL INCOME TRUST as of November 30, 2003

### MANAGEMENT DISCUSSION

[PHOTO OF THOMAS M. METZOLD]  
Thomas M. Metzold  
Portfolio Manager

### INVESTMENT ENVIRONMENT

- The U.S. economy saw encouraging growth in the year ended November 30, 2003. Consumer spending picked up, as tax cuts added to discretionary incomes. Capital spending, which had been very slow to recover, rebounded. Gross Domestic Product grew 3.3% in the second quarter of calendar year 2003, followed by a surprisingly strong 8.2% rise in the third quarter. The labor markets were slow to rebound. The nation's unemployment rate was 5.9% in November 2003.
- Inflation, meanwhile, remained modest. Prices for finished goods remained stable, although health care costs continued to rise and prices for manufacturing inputs and commodities such as oil and natural gas remained high. The Federal Reserve maintained an accommodative monetary policy, holding its Federal Funds rate - a key short-term interest rate barometer - at 1.00%, where it has stood since June.
- While signs of a more robust economy drove a strong rally in the equity markets, the bond markets gave up some of their gains of the past year. Ten-year Treasury bond yields - which had fallen to 3.40% in late May - rose to 4.37% by November 30, 2003, in response to a reviving economy, prompting a market correction. Nonetheless, the Lehman Brothers Municipal Bond Index posted a solid total return of 6.65% for the year ended November 30, 2003.(1)

### THE TRUST

#### PERFORMANCE FOR THE PAST YEAR

- Based on share price (traded on the New York Stock Exchange), the Trust had a total return of 20.02% for the year ended November 30, 2003. That return was the result of an increase in share price from \$14.05 on November 30, 2002, to \$15.55 on November 30, 2003, and the reinvestment of \$1.13 per share in regular monthly dividends.(2)

### TRUST INFORMATION

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AS OF NOVEMBER 30, 2003

### PERFORMANCE(5)

Average Annual Total Returns (by market value, New York Stock Exchange)

One Year	20.02%
Life of Trust (1/29/99)	7.84%

Average Annual Total Returns (at net asset value)

One Year	17.35%
Life of Trust (1/29/99)	5.66%

For federal income tax purposes, 99.99% of the total dividends paid by the Trust from net investment income during the year ended November 30, 2003, was designated as an exempt interest dividend.

- Based on net asset value, the Trust had a total return of 17.35% for the year ended November 30, 2003. That return was the result of an increase in net asset value per share from \$13.02 on November 30, 2002, to \$14.09 on November 30, 2003, and the reinvestment of \$1.13 per share in regular monthly dividends.
- Based on the most recent dividend and a share price of \$15.55, the Trust had a market yield of 7.65% at November 30, 2003.(3) The Trust's market yield is equivalent to a taxable yield of 11.77%.(4)

### MANAGEMENT DISCUSSION

- Insured\* transportation bonds represented the Trust's largest sector weighting at November 30, 2003. The Trust's investments were well-diversified and included bonds for airports, turnpikes, and expressways.
- The Trust's second largest sector concentration was in hospital bonds. In a competitive hospital environment, management emphasized institutions it believes are well-regarded and whose health care specialities and financial soundness give them a competitive advantage in their markets.
- Insured\* general obligations (GOs) constituted a major investment for the Trust and a representative geographical mix. Issuers included the state of California; Chicago, Illinois; and Jupiter, Florida. Insured\* GOs are generally considered to provide a high-quality investment in a still-recovering economy.
- Management continued to adjust coupon structure and upgrade call protection, as market conditions warranted. Coupon structure and call features can have a significant influence on the Trust's performance characteristics.

THE VIEWS EXPRESSED IN THIS REPORT ARE THOSE OF THE PORTFOLIO MANAGER AND ARE CURRENT ONLY THROUGH THE END OF THE PERIOD OF THE REPORT AS STATED ON THE COVER. THESE VIEWS ARE SUBJECT TO CHANGE AT ANY TIME BASED UPON MARKET OR OTHER CONDITIONS, AND EATON VANCE DISCLAIMS ANY RESPONSIBILITY TO UPDATE SUCH VIEWS. THESE VIEWS MAY NOT BE RELIED ON AS INVESTMENT ADVICE AND, BECAUSE INVESTMENT DECISIONS FOR A FUND ARE BASED ON MANY FACTORS, MAY NOT BE RELIED ON AS AN INDICATION OF TRADING INTENT ON BEHALF OF ANY FUND.

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- (1) It is not possible to invest directly in an Index.
- (2) A portion of the Trust's income may be subject to federal income tax and/or federal alternative minimum tax. Income may be subject to state tax.
- (3) The Trust's market yield is calculated by dividing the most recent dividend per share by the share price at the end of the period and annualizing the result.
- (4) Taxable-equivalent yield assumes maximum 35.0% federal income tax rate. A lower rate would result in a lower taxable-equivalent figure.
- (5) Returns are historical and are calculated by determining the percentage change in share price or net asset value with all distributions reinvested. Performance results reflect the effect of leverage resulting from the Trust's issuance of Auction Preferred Shares.

\* Private insurance does not remove the risk of loss of principal associated with insured investments due to changes in market conditions.

Past performance is no guarantee of future results. Investment return and market price will fluctuate so that shares, when sold, may be worth more or less than their original cost.

SHARES OF THE TRUST ARE NOT INSURED BY THE FDIC AND ARE NOT DEPOSITS OR OTHER OBLIGATIONS OF, OR GUARANTEED BY, ANY DEPOSITORY INSTITUTION. SHARES ARE SUBJECT TO INVESTMENT RISKS, INCLUDING POSSIBLE LOSS OF PRINCIPAL INVESTED. YIELDS WILL VARY.

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### EATON VANCE MUNICIPAL INCOME TRUST AS OF NOVEMBER 30, 2003 PORTFOLIO OF INVESTMENTS

TAX-EXEMPT INVESTMENTS -- 150.1%

PRINCIPAL AMOUNT (000'S OMITTED)	SECURITY	VALUE
<hr/>		
COGENERATION -- 1.3%		
\$ 2,950	Maryland Energy Cogeneration, (AES Warrior Run), (AMT), 7.40%, 9/1/19	\$ 2,998,321
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		\$ 2,998,321
<hr/>		
EDUCATION -- 2.6%		
\$ 2,250	California Educational Facilities Authority, Residual Certificates, Variable Rate, 12/1/32(1)(2)	\$ 2,706,525
3,430	Massachusetts Development Finance Agency, (Boston University), 5.45%, 5/15/59	3,520,415
<hr/>		<hr/>
		\$ 6,226,940
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ELECTRIC UTILITIES -- 8.8%		
\$ 6,500	Brazos River Authority, TX, (Reliant Energy, Inc.),	

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	5.20%, 12/1/18		\$ 7,053,215
2,000	Brazos River Authority, TX, PCR (Texas Energy Co.), (AMT), 6.75%, 4/1/38		2,201,260
3,550	Mississippi Business Finance Corp., (System Energy Resources, Inc.), 5.90%, 5/1/22		3,558,520
7,250	North Carolina Municipal Power Agency, (Catawba), 6.50%, 1/1/20		8,047,500
			-----
			\$ 20,860,495
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ESCROWED / PREREFUNDED -- 6.6%			
\$ 35,000	Dawson Ridge, CO, Metropolitan District #1, Escrowed to Maturity, 0.00%, 10/1/22	\$ 13,412,700	
1,725	Maricopa County, AZ, IDA, (Place Five and The Greenery), Escrowed to Maturity, 8.625%, 1/1/27		2,147,125
			-----
			\$ 15,559,825
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GENERAL OBLIGATIONS -- 8.8%			
\$ 2,400	California State General Obligation, 5.00%, 2/1/21	\$ 2,420,040	
1,500	California State General Obligation, 5.25%, 11/1/29		1,506,270
2,500	California State General Obligation, 5.25%, 4/1/30		2,507,350
4,950	California State General Obligation, 5.50%, 11/1/33		5,096,668
2,000	Kershaw County, SC, School District, 5.00%, 2/1/18		2,123,320
1,200	New York, NY, Variable Rate, 6/1/28(1)(2)		1,289,628
5,000	Puerto Rico Commonwealth, Variable Rate, 7/1/29(1)(3)		5,861,550
			-----
			\$ 20,804,826
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HEALTH CARE - MISCELLANEOUS -- 1.3%			
\$ 624	Tax Exempt Securities Trust, Community Health Provider, Pooled Loan Program, 6.00%, 12/1/36	\$ 627,038	
1,647	Tax Exempt Securities Trust, Community Health Provider, Pooled Loan Program, 6.25%, 12/1/36		1,706,572
625	Tax Exempt Securities Trust, Community Health Provider, Pooled Loan Program, 7.75%, 12/1/36		626,395
			-----
			\$ 2,960,005
-----			
HOSPITAL -- 20.0%			
\$ 2,500	California Health Facilities Authority, (Cedars Sinai Medical Center), Variable Rate, 12/1/34(1)(3)	\$ 2,873,150	
930	Chautauqua County, NY, IDA, (Women's Christian Association), 6.35%, 11/15/17		866,472
985	Chautauqua County, NY, IDA, (Women's Christian Association), 6.40%, 11/15/29		909,175
1,000	Halifax, FL, Medical Center, 7.25%, 10/1/24		1,071,580
2,765	Highland County, OH, (Joint Township Hospital District), 6.75%, 12/1/29		2,538,021
5,000	Illinois Health Facility Authority, (Loyola University Health System), 6.00%, 7/1/21		5,179,800
4,750	Louisiana Public Facilities Authority, (Tuoro Infirmary), 5.625%, 8/15/29		4,778,547
2,000	Martin County, MN, (Fairmont Community Hospital		

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	Association), 6.625%, 9/1/22	1,956,720
1,345	Mecosta County, MI, General Hospital, 5.75%, 5/15/09	1,348,766
2,500	Mecosta County, MI, General Hospital, 6.00%, 5/15/18	2,355,275
4,260	New Jersey Health Care Facilities Financing Authority, (Capital Health System), 5.25%, 7/1/27	4,117,247
1,500	New Jersey Health Care Facilities Financing Authority, (Trinitas Hospital), 7.50%, 7/1/30	1,638,330
5,000	North Central, TX, Health Facility Development Corp., (Baylor Healthcare System), 5.125%, 5/15/29	5,033,800
1,510	Oneonta, AL, Eastern Health Care Facility Financing Authority, (Eastern Health Systems, Inc.), 7.75%, 7/1/21	1,674,228
7,000	Rhode Island HEFA, (St. Joseph Health Services), 5.50%, 10/1/29	5,946,710
2,425	Southwestern Illinois, Development Authority, (Anderson Hospital), 5.625%, 8/15/29	2,338,621
2,500	Sullivan County, TN, Health Educational and Housing Facility Board, (Wellmont Health System), 6.25%, 9/1/32	2,591,150
		\$ 47,217,592

HOUSING -- 11.5%

\$	990	California Statewide Communities Development Authority, Variable Rate, 6/1/09(1)(3)	\$ 886,278
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See notes to financial statements.

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PRINCIPAL AMOUNT (000'S OMITTED)	SECURITY	VALUE
HOUSING (CONTINUED)		
\$ 4,000	Charter Mac Equity Trust, TN, (AMT), 6.625%, 6/30/09	\$ 4,335,480
3,185	Florida Capital Projects Finance Authority, Student Housing Revenue, (Florida University), 7.75%, 8/15/20	3,255,197
925	Lake Creek, CO, Affordable Housing Corp., Multifamily, 7.00%, 12/1/23	852,387
4,510	Louisiana Public Facilities Authority, (Eden Point), 6.25%, 3/1/34	3,999,378
4,000	Muni Mae Tax-Exempt Bond, LLC, (AMT), 6.875%, 6/30/09	4,363,640
3,175	North Little Rock, AR, Residential Housing Facilities, (Parkstone Place), 6.50%, 8/1/21	2,939,415
3,590	Oregon Health Authority, (Trillium Affordable Housing), (AMT), 6.75%, 2/15/29	3,266,002
970	Raleigh, NC, Housing Authority, Multifamily, (Cedar Point), 7.00%, 11/1/30(4)	97,000
3,300	Texas Student Housing Corp., (University of Northern Texas), 6.75%, 7/1/16	3,303,300
		\$ 27,298,077



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### INDUSTRIAL DEVELOPMENT REVENUE -- 6.7%

\$	1,911	Abia Development Corp., TX, (Austin Cargoport Development), (AMT), 6.50%, 10/1/24	\$	1,705,301
	1,835	Broward County, FL, IDR, (Lynxs Cargoport), (AMT), 6.75%, 6/1/19		1,682,142
	2,500	Gulf Coast, TX, Waste Disposal Authority, (Valero Energy Corp.) (AMT), 5.70%, 4/1/32		2,385,100
	6,000	New Jersey EDA, (Continental Airlines), (AMT), 6.25%, 9/15/29		5,106,780
	3,500	New York City, NY, Industrial Development Agency, (American Airlines, Inc.), (AMT), 8.50%, 8/1/28		2,653,735
	2,950	Phoenix, AZ, IDA, (America West Airlines, Inc.), (AMT), 6.25%, 6/1/19		2,372,803
				\$ 15,905,861

### INSURED - EDUCATION -- 3.8%

\$	13,000	Illinois Development Finance Authority, (Local Government Program-Elgin School District-U46), (FSA), 0.00%, 1/1/20	\$	5,890,820
	3,000	Massachusetts HEFA, (Berklee College of Music), (MBIA), Variable Rate, 10/1/27(1)(3)		3,126,210
				\$ 9,017,030

### INSURED - ELECTRIC UTILITIES -- 0.3%

\$	100	Los Angeles, CA, Department of Water and Power, (MBIA), Variable Rate, 12/15/24(1)(2)	\$	779,500
				\$ 779,500

### INSURED - ESCROWED/PREREFUNDED -- 1.8%

\$	4,250	Metropolitan Transportation Authority of New York, Escrowed to Maturity, (FGIC), 4.75%, 7/1/26	\$	4,335,297
				\$ 4,335,297

### INSURED - GENERAL OBLIGATIONS -- 13.8%

\$	500	California, (FGIC), Variable Rate, 12/1/29(1)(2)	\$	1,534,000
	3,500	California, (FGIC), Variable Rate, 9/1/30(1)(2)		3,888,780
	4,000	Chicago, IL, (MBIA), 5.00%, 1/1/41		4,024,960
	30,160	Chicago, IL, Board of Education, (FGIC), 0.00%, 12/1/22		11,451,450
	1,150	Jupiter, FL, (AMBAC), 4.75%, 10/1/28		1,148,264
	1,000	Jupiter, FL, (AMBAC), 4.75%, 10/1/33		992,840
	4,000	Puerto Rico, FSA, Variable Rate, 7/1/27(1)(2)		4,825,880
	10,000	Washington State General Obligation, (FGIC), 0.00%, 1/1/19		4,834,100
				\$ 32,700,274

### INSURED - HOSPITAL -- 9.6%

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\$ 2,700	Franklin County, OH, (Ohio Health Corp.), (MBIA), 5.00%, 5/15/33	\$ 2,745,765
20,205	Kentucky EDA, (Norton Healthcare, Inc.), (MBIA), 0.00%, 10/1/25	6,328,812
23,320	Kentucky EDA, (Norton Healthcare, Inc.), (MBIA), 0.00%, 10/1/26	6,897,123
10,000	Kentucky EDA, (Norton Healthcare, Inc.), (MBIA), 0.00%, 10/1/27	2,795,600
4,000	New Jersey Health Care Facilities Financing Authority, (St. Barnabas Medical Center), (MBIA), Variable Rate, 7/1/28(1) (2)	3,953,720
-----		\$ 22,721,020
-----		-----

INSURED - SPECIAL TAX REVENUE -- 0.1%

\$ 60	South Orange County, CA, Public Financing Authority, (FGIC), DRIVERS, Variable Rate, 8/15/15(1) (2)	\$ 334,710
-----		\$ 334,710
-----		-----

INSURED - TRANSPORTATION -- 20.1%

\$ 9,000	Central Texas Turnpike Authority, (AMBAC), 0.00%, 8/15/21	\$ 3,707,370
3,500	Chicago, IL, O'Hare International Airport, (AMBAC), (AMT), 5.375%, 1/1/32	3,615,465
2,500	Dallas-Fort Worth, TX, International Airport, (FGIC), (AMT), 5.50%, 11/1/20	2,645,375
4,930	Dallas-Fort Worth, TX, International Airport, (FGIC), (AMT), 5.75%, 11/1/30	5,310,645

See notes to financial statements.

PRINCIPAL AMOUNT (000'S OMITTED)	SECURITY	VALUE
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INSURED - TRANSPORTATION (CONTINUED)		
\$ 4,500	Dallas-Fort Worth, TX, International Airport, (FGIC), (AMT), 6.125%, 11/1/35	\$ 5,113,080
2,400	Massachusetts Turnpike Authority, Metropolitan Highway System, (MBIA), Variable Rate, 1/1/27(1) (2)	2,459,232
7,500	Minneapolis and St. Paul, MN, Metropolitan Airport Commission, (FGIC), 5.25%, 1/1/32	7,801,950
5,500	Nevada Department of Business and Industry, (Las Vegas Monorail -1st Tier), (AMBAC), 5.375%, 1/1/40	5,848,810
2,000	Puerto Rico Highway and Transportation Authority, (FSA), Variable Rate, 7/1/32(1) (2)	2,157,800
7,000	San Antonio, TX, Airport System, (Improvements), (FGIC), 5.25%, 7/1/21	7,251,720
1,500	South Carolina State Transportation Infrastructure Bank,	

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	(AMBAC), 5.00%, 10/1/33	1,524,015
		-----
		\$ 47,435,462
		-----
INSURED - WATER AND SEWER -- 1.2%		
\$ 2,720	Deltona, FL, Utility System, (MBIA), 4.75%, 10/1/29	\$ 2,713,798
		-----
		\$ 2,713,798
		-----
LEASE REVENUE / CERTIFICATES OF PARTICIPATION -- 1.7%		
\$ 4,000	New Jersey EDA, (School Facilities), 5.00%, 6/15/26	\$ 4,080,560
		-----
		\$ 4,080,560
		-----
MISCELLANEOUS -- 13.9%		
\$ 4,000	California Statewide Communities Development Authority, (East Valley Tourist Development Authority), 8.25%, 10/1/14	\$ 3,770,560
3,000	Capital Trust Agency, FL, (Seminole Tribe Convention), 8.95%, 10/1/33	3,517,620
4,000	Capital Trust Agency, FL, (Seminole Tribe Convention), 10.00%, 10/1/33	4,968,960
4,450	Golden Tobacco Securitization Corp., CA, 6.75%, 6/1/39	4,296,386
2,900	Golden Tobacco Securitization Corp., CA, Variable Rate, 6/1/31(1)(3)	2,890,082
1,500	Mohegan Tribe Indians, CT, Gaming Authority, (Public Improvements), 6.25%, 1/1/21	1,616,160
3,900	Puerto Rico Infrastructure Financing Authority, Variable Rate, 10/1/32(1)(2)(5)	5,703,750
3,300	Santa Fe, NM, (Crow Hobbs), 8.50%, 9/1/16	3,376,329
3,000	Tobacco Settlement Financing Corp., NJ, Variable Rate, 6/1/39(1)(3)	2,792,910
		-----
		\$ 32,932,757
		-----
NURSING HOME -- 3.5%		
\$ 3,580	Ohio HFA, Retirement Rental Housing, (Encore Retirement Partners), 6.75%, 3/1/19	\$ 3,079,265
750	Okaloosa County, FL, Retirement Rental Housing, (Encore Retirement Partners), 6.125%, 2/1/14	667,125
2,000	Orange County, FL, Health Facilities Authority, (Westminster Community Care), 6.75%, 4/1/34	1,543,240
767	Tarrant County, TX, Health Facilities Authority, 8.00%, 9/1/25(4)	115,030
1,154	Tarrant County, TX, Health Facilities Authority, (3927 Foundation), 10.25%, 9/1/19(4)	34,628
2,960	Wisconsin HEFA, (Wisconsin Illinois Senior Housing), 7.00%, 8/1/29	2,772,539
		-----
		\$ 8,211,827
		-----
SENIOR LIVING / LIFE CARE -- 3.5%		

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\$	1,960	Cliff House Trust, PA, (AMT), 6.625%, 6/1/27	\$	1,676,388
	190	Delaware County, PA, IDA, (Glen Riddle), (AMT), 8.125%, 9/1/05		193,243
	2,000	Delaware County, PA, IDA, (Glen Riddle), (AMT), 8.625%, 9/1/25		2,096,520
	3,240	Logan County, CO, Industrial Development Revenue, (TLC Care Choices, Inc.), 6.875%, 12/1/23		2,914,769
	1,400	Mesquite, TX, Health Facilities Authority, (Christian Retirement Facility), 7.625%, 2/15/28		1,457,596
				\$ 8,338,516

SPECIAL TAX REVENUE -- 3.9%

\$	3,280	Bell Mountain Ranch, CO, Metropolitan District, 6.625%, 11/15/25	\$	3,360,885
	3,600	Black Hawk, CO, Business Improvement District, 6.50%, 12/1/11		3,546,072
	895	Longleaf, FL, Community Development District, 6.20%, 5/1/09		823,848
	1,790	Longleaf, FL, Community Development District, 6.65%, 5/1/20		1,565,910
				\$ 9,296,715

TRANSPORTATION -- 4.6%

\$	3,750	Kent County, MI, Airport Facility, (AMT), Variable Rate, 1/1/25(1) (3)	\$	3,794,663
	7,000	Port Authority of New York and New Jersey, 5.00%, 9/1/33		7,121,030
				\$ 10,915,693

See notes to financial statements.

PRINCIPAL AMOUNT

(000'S OMITTED) SECURITY VALUE

WATER AND SEWER -- 0.7%

\$	1,500	Metropolitan Water District, CA, (Southern California Waterworks), Variable Rate, 1/1/18(1) (3)	\$	1,558,350
				\$ 1,558,350

TOTAL TAX-EXEMPT INVESTMENTS -- 150.1%

(IDENTIFIED COST \$339,801,613) \$ 355,203,451

OTHER ASSETS, LESS LIABILITIES -- 5.3%

\$ 12,424,081

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AUCTION PREFERRED SHARES PLUS CUMULATIVE UNPAID DIVIDENDS -- (55.4)%	\$ (131,067,058)
NET ASSETS APPLICABLE TO COMMON SHARES -- 100.0%	\$ 236,560,474

AMT - Interest earned from these securities may be considered a tax preference item for purposes of the Federal Alternative Minimum Tax.

FSA - Financial Security Assurance, Inc.

FGIC - Financial Guaranty Insurance Company

AMBAC - AMBAC Financial Group, Inc.

MBIA - Municipal Bond Insurance Association

At November 30, 2003, the concentration of the Trust's investments in the various states, determined as a percentage of net assets, is as follows:

California	15.7%
Colorado	10.2%
Florida	10.1%
Illinois	13.7%
Texas	20.0%
Others, representing less than 10% individually	80.5%

The Trust invests primarily in debt securities issued by 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 November 30, 2003, 33.8% 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 financial institutions ranged from 3.6% to 15.3% of total investments.

- (1) Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers.
- (2) Security has been issued as a leveraged inverse floater bond.
- (3) Security has been issued as an inverse floater bond.
- (4) Non-income producing security.
- (5) Security (or a portion thereof) has been segregated to cover margin requirements on open financial futures contracts.

See notes to financial statements.

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## STATEMENT OF ASSETS AND LIABILITIES

AS OF NOVEMBER 30, 2003

### ASSETS

Investments, at value (identified cost, \$339,801,613)	\$	355,203,45
Receivable for investments sold		5,384,08
Interest receivable		6,901,78
Receivable for daily variation margin on open financial futures contracts		400,39
Prepaid expenses		264,70
<hr/>		
TOTAL ASSETS	\$	368,154,41

### LIABILITIES

Due to bank	\$	408,11
Payable to affiliate for Trustees' fees		2,31
Accrued expenses		116,45
<hr/>		
TOTAL LIABILITIES	\$	526,88

AUCTION PREFERRED SHARES (5,240 SHARES OUTSTANDING) AT LIQUIDATION VALUE PLUS CUMULATIVE UNPAID DIVIDENDS	\$	131,067,05
--	----	------------

NET ASSETS APPLICABLE TO COMMON SHARES	\$	236,560,47
--	----	------------

### SOURCES OF NET ASSETS

Common Shares, \$0.01 par value, unlimited number of shares authorized, 16,794,879 shares issued and outstanding	\$	167,94
Additional paid-in capital		248,515,90
Accumulated net realized loss (computed on the basis of identified cost)		(32,230,13)
Accumulated undistributed net investment income		4,092,36
Net unrealized appreciation (computed on the basis of identified cost)		16,014,39
<hr/>		
NET ASSETS APPLICABLE TO COMMON SHARES	\$	236,560,47

### NET ASSET VALUE PER COMMON SHARE

(\$236,560,474 DIVIDED BY 16,794,879 COMMON SHARES ISSUED AND OUTSTANDING)	\$	14.0
--	----	------

## STATEMENT OF OPERATIONS

FOR THE YEAR ENDED NOVEMBER 30, 2003

### INVESTMENT INCOME

Interest	\$	25,285,95
<hr/>		
TOTAL INVESTMENT INCOME	\$	25,285,95

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EXPENSES

Investment adviser fee	\$ 2,500,09
Administration fee	714,31
Trustees' fees and expenses	14,98
Preferred shares remarketing agent fee	327,50
Transfer and dividend disbursing agent fees	231,10
Custodian fee	146,87
Legal and accounting services	73,05
Printing and postage	3,14
Miscellaneous	72,24

---

TOTAL EXPENSES \$ 4,083,32

---

NET INVESTMENT INCOME \$ 21,202,62

---

REALIZED AND UNREALIZED GAIN (LOSS)

Net realized gain (loss) --	
Investment transactions (identified cost basis)	\$ (2,322,76)
Financial futures contracts	3,110,85
Interest rate swap contracts	(4,034,70)

---

NET REALIZED LOSS \$ (3,246,61)

---

Change in unrealized appreciation (depreciation) --	
Investments (identified cost basis)	\$ 19,649,89
Financial futures contracts	612,55

---

NET CHANGE IN UNREALIZED APPRECIATION (DEPRECIATION) \$ 20,262,44

---

NET REALIZED AND UNREALIZED GAIN \$ 17,015,83

---

DISTRIBUTIONS TO PREFERRED SHAREHOLDERS \$ (1,586,40)

---

NET INCREASE IN NET ASSETS FROM OPERATIONS \$ 36,632,05

---

See notes to financial statements.

STATEMENTS OF CHANGES IN NET ASSETS

INCREASE (DECREASE) IN NET ASSETS	YEAR ENDED NOVEMBER 30, 2003	YEAR NOVEM
From operations --		
Net investment income	\$ 21,202,621	\$
Net realized gain (loss)	(3,246,611)	
Net change in unrealized		

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appreciation (depreciation)		20,262,444	
Distributions to preferred shareholders		(1,586,402)	
-----			
NET INCREASE IN NET ASSETS FROM OPERATIONS	\$	36,632,052	\$
-----			
Distributions to common shareholders --			
From net investment income	\$	(18,871,152)	\$
-----			
TOTAL DISTRIBUTIONS TO COMMON SHAREHOLDERS	\$	(18,871,152)	\$
-----			
Capital share transactions --			
Reinvestment of distributions to			
common shareholders	\$	2,524,723	\$
-----			
NET INCREASE IN NET ASSETS FROM CAPITAL	\$	2,524,723	\$
SHARE TRANSACTIONS			
-----			
NET INCREASE IN NET ASSETS	\$	20,285,623	\$
-----			
NET ASSETS APPLICABLE TO COMMON SHARES			
At beginning of year	\$	216,274,851	\$
-----			
AT END OF YEAR	\$	236,560,474	\$
-----			
ACCUMULATED UNDISTRIBUTED NET INVESTMENT INCOME			
INCLUDED IN NET ASSETS APPLICABLE TO COMMON SHARES			
AT END OF YEAR	\$	4,092,361	\$
-----			

See notes to financial statements.

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FINANCIAL HIGHLIGHTS

Selected data for a common share outstanding during the periods stated

	YEAR ENDED NOVEMBER		
	2003 (1)	2002 (1) (2)	2001 (1)
Net asset value -- Beginning of year (Common shares)	\$ 13.020	\$ 12.930	\$ 11.950
-----			
INCOME (LOSS) FROM OPERATIONS			
Net investment income	\$ 1.269	\$ 1.255	\$ 1.124
Net realized and unrealized gain (loss)	1.026	0.013	0.873
Distribution to preferred shareholders	(0.095)	(0.148)	(0.240)
-----			
TOTAL INCOME (LOSS) FROM OPERATIONS	\$ 2.200	\$ 1.120	\$ 1.757
-----			



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### LESS DISTRIBUTIONS TO COMMON SHAREHOLDERS

From net investment income	\$ (1.130)	\$ (1.030)	\$ (0.777)
<hr style="border-top: 1px dashed black;"/>			
TOTAL DISTRIBUTIONS TO COMMON SHAREHOLDERS	\$ (1.130)	\$ (1.030)	\$ (0.777)
<hr style="border-top: 1px dashed black;"/>			
PREFERRED AND COMMON SHARES OFFERING COSTS CHARGED TO PAID-IN CAPITAL	\$ --	\$ --	\$ --
<hr style="border-top: 1px dashed black;"/>			
PREFERRED SHARES UNDERWRITING DISCOUNTS	\$ --	\$ --	\$ --
<hr style="border-top: 1px dashed black;"/>			
NET ASSET VALUE -- END OF YEAR (COMMON SHARES)	\$ 14.090	\$ 13.020	\$ 12.930
<hr style="border-top: 1px dashed black;"/>			
MARKET VALUE -- END OF YEAR (COMMON SHARES)	\$ 15.550	\$ 14.050	\$ 13.500
<hr style="border-top: 1px dashed black;"/>			
TOTAL RETURN(4)	20.02%	12.32%	28.95%
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See notes to financial statements.

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	YEAR ENDED NOVEMBER		
RATIOS/SUPPLEMENTAL DATA+ ++	2003 (1)	2002 (1) (2)	2001 (1)
Net assets applicable to common shares, end of year (000's omitted)	\$ 236,560	\$ 216,275	\$ 212,315
Ratios (As a percentage of average net assets applicable to common shares):			
Net expenses(5)	1.80%	1.89%	1.88%
Net expenses after custodian fee reduction(5)	1.80%	1.88%	1.88%
Net investment income(5)	9.37%	9.69%	8.79%
Portfolio Turnover	30%	14%	60%
<hr style="border-top: 1px dashed black;"/>			

+ The expenses of the Trust may reflect a reduction of the investment adviser fee. Had such action not been taken, the ratios and the net investment income would have been as follows:

Ratios (As a percentage of average net assets applicable to common shares):

Expenses(5)

Expenses after custodian fee reduction(5)

Net investment income(5)

Net investment income per share

++ The ratios reported above are based on net assets applicable solely to common shares. The ratios based on net assets, including amounts related to preferred shares, are as follows:

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Ratios (As a percentage of average total net assets):

Net expenses	1.14%	1.17%	1.15%
Net expenses after custodian fee reduction	1.14%	1.17%	1.15%
Net investment income	5.93%	6.01%	5.40%

+ The expenses of the Trust may reflect a reduction of the investment adviser fee. Had such action not been taken, the ratios would have been as follows:

Ratios (As a percentage of average total net assets):

Expenses			
Expenses after custodian fee reduction			
Net investment income			

Senior Securities:

Total preferred shares outstanding	5,240	5,240	5,240
Asset coverage per preferred share(7)	\$ 70,154	\$ 66,291	\$ 65,548
Involuntary liquidation preference per preferred share(8)	\$ 25,000	\$ 25,000	\$ 25,000
Approximate market value per preferred share(8)	\$ 25,000	\$ 25,000	\$ 25,000

- (1) Computed using average common shares outstanding.
- (2) The Trust has adopted the provisions of the revised AICPA Audit and Accounting Guide for Investment Companies and began using the interest method to amortize premiums on fixed-income securities. The effect of this change for the year ended November 30, 2002 was to increase net investment income per share by \$0.011, decrease net realized and unrealized gains per share by \$0.011, increase the ratio of net investment income to average net assets applicable to common shares from 9.61% to 9.69% and increase the ratio of net investment income to average total net assets from 5.96% to 6.01%. Per share data and ratios for the periods prior to December 1, 2001 have not been restated to reflect this change in presentation.
- (3) For the period from the start of business, January 29, 1999, to November 30, 1999.
- (4) Returns are historical and are calculated by determining the percentage change in market value with all distributions reinvested. Total return is not computed on an annualized basis.
- (5) Ratios do not reflect the effect of dividend payments to preferred shareholders. Ratios to average net assets applicable to common shares reflect the Trust's leveraged capital structure.
- (6) Annualized.
- (7) Calculated by subtracting the Trust's total liabilities (not including the preferred shares) from the Trust's total assets, and dividing this by the number of preferred shares outstanding.
- (8) Plus accumulated and unpaid dividends.

See notes to financial statements.

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EATON VANCE MUNICIPAL INCOME TRUST AS OF NOVEMBER 30, 2003

NOTES TO FINANCIAL STATEMENTS

### 1 SIGNIFICANT ACCOUNTING POLICIES

Eaton Vance Municipal Income Trust (the Trust) is an entity commonly known as a Massachusetts business trust and is registered under the Investment Company Act of 1940 as a non-diversified, closed-end management investment company. The Trust was organized under the laws of the Commonwealth of Massachusetts by an Agreement and Declaration of Trust dated December 10, 1998. The Trust's investment objective is to achieve current income exempt from regular federal income tax by investing primarily in investment grade municipal obligations.

The following is a summary of significant accounting policies consistently followed by the Trust in the preparation of its financial statements. The policies are in conformity with accounting principles generally accepted in the United States of America.

**A INVESTMENT VALUATION** -- Municipal bonds are normally valued on the basis of valuations furnished by a pricing service. Taxable obligations, if any, for which price quotations are readily available are normally valued at the mean between the latest bid and asked prices. Futures contracts listed on the commodity exchanges are valued at closing settlement prices. Short-term obligations, maturing in sixty days or less, are valued at amortized cost, which approximates value. Investments for which valuations or market quotations are unavailable are valued at fair value using methods determined in good faith by or at the direction of the Trustees.

**B INVESTMENT TRANSACTIONS** -- Investment transactions are recorded on a trade date basis. Realized gains and losses from such transactions are determined using the specific identification method. Securities purchased or sold on a when-issued or delayed delivery basis may be settled a month or more after the transaction date. The securities so purchased are subject to market fluctuations during this period. To the extent that when-issued or delayed delivery purchases are outstanding, the Trust instructs the custodian to segregate assets in a separate account, with a current value at least equal to the amount of its purchase commitments.

**C INCOME** -- Interest income is determined on the basis of interest accrued, adjusted for amortization of premium or discount.

**D FEDERAL INCOME TAXES** -- The Trust's policy is to comply with the provisions of the Internal Revenue Code applicable to regulated investment companies and to distribute to shareholders each year all of its taxable income, if any, and tax-exempt income, including any net realized gain on investments. Therefore, no provision for federal income or excise tax is necessary. At November 30, 2003, the Trust, for federal income tax purposes, had a capital loss carryover of \$31,928,458 which will reduce the taxable income arising from future net realized gain on investments, if any, to the extent permitted by the Internal Revenue Code and thus will reduce the amount of distributions to shareholders which would otherwise be necessary to relieve the Trust of any liability for federal income or excise tax. Such capital loss carryover will expire on November 30, 2007 (\$9,497,591), November 30, 2008 (\$14,623,294), November 30, 2009 (\$5,266,337), and November 30, 2011 (\$2,541,236). In addition, the Trust intends to satisfy conditions which will enable it to designate distributions from the interest income generated by its investments in municipal obligations, which are exempt from regular federal income taxes when received by the Trust, as exempt-interest dividends. The portion of such interest, if any, earned on private activity bonds issued after August 7, 1986, may be considered a tax preference item for investors.

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E FINANCIAL FUTURES CONTRACTS -- Upon the entering of a financial futures contract, the Trust is required to deposit (initial margin) either in cash or securities an amount equal to a certain percentage of the purchase price indicated in the financial futures contract. Subsequent payments are made or received by the Trust (margin maintenance) each day, dependent on the daily fluctuations in the value of the underlying security, and are recorded for book purposes as unrealized gains or losses by the Trust. The Trust's investment in financial futures contracts is designed for both hedging against anticipated future changes in interest rates and investment purposes. Should interest rates move unexpectedly, the Trust may not achieve the anticipated benefits of the financial futures contracts and may realize a loss.

F OPTIONS ON FINANCIAL FUTURES CONTRACTS -- Upon the purchase of a put option on a financial futures contract by the Trust, the premium paid is recorded as an investment, the value of which is marked-to-market daily. When a purchased option expires, the Trust will realize a loss in the amount of the cost of the option. When the Trust enters into a closing sale transaction, the Trust will realize a gain or loss depending on whether the sales proceeds from the closing sale transaction are greater or less than the cost of the option. When the Trust exercises a put option, settlement is made in cash. The risk associated with purchasing put options is limited to the premium originally paid.

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G INTEREST RATE SWAPS -- The Trust has entered into interest rate swap agreements to enhance return, to hedge against fluctuations in securities prices or interest rates or as substitution for the purchase or sale of securities. Pursuant to these agreements, the Trust makes semi-annual payments at a fixed interest rate. In exchange, the Trust receives payments based on the interest rate of a benchmark industry index. During the term of the outstanding swap agreement, changes in the underlying value of the swap are recorded as unrealized gains and losses. Payments received or made at the end of a measurement period are recorded as realized gains and losses. The value of the swap is determined by changes in the relationship between two rates of interest. The Trust is exposed to credit loss in the event of non-performance by the swap counterparty. However, the Trust does not anticipate non-performance by the counterparty. Risk may also arise from the unanticipated movements in value of interest rates.

H USE OF ESTIMATES -- The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of income and expense during the reporting period. Actual results could differ from those estimates.

I EXPENSE REDUCTION -- Investors Bank & Trust Company (IBT) serves as custodian of the Trust. Pursuant to the custodian agreement, IBT receives a fee reduced by credits which are determined based on the average daily cash balance the Trust maintains with IBT. All significant credit balances used to reduce the Trust's custodian fees are reported as a reduction of total expenses in the Statement of Operations.

## 2 AUCTION PREFERRED SHARES (APS)

The Trust issued 2,620 shares of Auction Preferred Shares Series A and 2,620 shares of Auction Preferred Shares Series B on March 1, 1999 in a public offering. The underwriting discount and other offering costs were recorded as a reduction of the capital of the common shares. Dividends on the APS, which

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accrue daily, are cumulative at a rate which was established at the offering of the APS and have been reset every 7 days thereafter by an auction. Effective July 8, 2003, a special dividend period of 733 days was set on the series A shares. The dividend rate, which matures on July 12, 2005, is 1.25%. Dividend rates ranged from 0.69% to 1.50% for Series B Shares, during the year ended November 30, 2003. Series A and Series B are identical in all respects except for the dates of reset for the dividend rates.

The APS are redeemable at the option of the Trust, at a redemption price equal to \$25,000 per share, plus accumulated and unpaid dividends on any dividend payment date. The APS are also subject to mandatory redemption at a redemption price equal to \$25,000 per share, plus accumulated and unpaid dividends, if the Trust is in default for an extended period on its asset maintenance requirements with respect to the APS. If the dividends on the APS shall remain unpaid in an amount equal to two full years' dividends, the holders of the APS as a class have the right to elect a majority of the Board of Trustees. In general, the holders of the APS and the common shares have equal voting rights of one vote per share, except that the holders of the APS, as a separate class, have the right to elect at least two members of the Board of Trustees. The APS have a liquidation preference of \$25,000 per share, plus accumulated and unpaid dividends. The Trust is required to maintain certain asset coverage with respect to the APS as defined in the Trust's By-Laws and the Investment Company Act of 1940. The Trust pays an annual fee equivalent to 0.25% of the preferred shares' liquidation value for the remarketing efforts associated with the preferred auctions.

### 3 DISTRIBUTIONS TO SHAREHOLDERS

The Trust intends to make monthly distributions of net investment income, after payment of any dividends on any outstanding Auction Preferred Shares. Distributions are recorded on the ex-dividend date. Distributions to preferred shareholders are recorded daily and are payable at the end of each dividend period. Each dividend payment period for the Auction Preferred Shares is generally seven days. Effective July 8, 2003, the Series A shares set a special dividend period of 733 days. The applicable dividend rate for the Auction Preferred Shares on November 30, 2003 was 1.25% and 1.05%, for Series A and Series B Shares, respectively. For the year ended November 30, 2003, the Trust paid dividends to Auction Preferred shareholders amounting to \$978,964 and \$607,438 for Series A and Series B Shares, respectively, representing an average APS dividend rate for such period of 1.47% and 0.94%, respectively.

The Trust distinguishes between distribution on a tax basis and a financial reporting basis. Accounting principles generally accepted in the United States of America require

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that only distributions in excess of tax basis earnings and profits be reported in the financial statements as a return of capital. Permanent differences between book and tax accounting relating to distributions are reclassified to paid in capital. These differences relate primarily to the method for amortizing premiums.

### 4 INVESTMENT ADVISER FEE AND OTHER TRANSACTIONS WITH AFFILIATES

The investment adviser fee, computed at an annual rate of 0.70% of the Trust's average weekly gross assets, was earned by Eaton Vance Management (EVM) as compensation for management and investment advisory services rendered to the Trust. Except for Trustees of the Trust who are not members of EVM's organization, officers and Trustees receive remuneration for their

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services to the Trust out of such investment adviser fee. For the year ended November 30, 2003, the fee was equivalent to 0.70% of the Trust's average weekly gross assets and amounted to \$2,500,095. EVM also serves as the administrator of the Trust. An administration fee, computed at the annual rate of 0.20% of the average weekly gross assets of the Trust, is paid to EVM for managing and administering business affairs of the Trust. For the year ended November 30, 2003, the administrative fee amounted to \$714,313.

Trustees of the Trust that are not affiliated with EVM may elect to defer receipt of all or a percentage of their annual fees in accordance with the terms of the Trustees Deferred Compensation Plan. For the year ended November 30, 2003, no significant amounts have been deferred.

Certain officers and Trustees of the Trust are officers of EVM.

### 5 INVESTMENTS

Purchases and sales of investments, other than U.S. Government securities and short-term obligations, aggregated \$104,377,933 and \$110,528,839, respectively, for the year ended November 30, 2003.

### 6 FEDERAL INCOME TAX BASIS OF UNREALIZED APPRECIATION (DEPRECIATION)

The cost and unrealized appreciation (depreciation) in value of the investments owned by the Trust at November 30, 2003, as computed for Federal income tax purposes, are as follows:

AGGREGATE COST	\$	339,490,736
-----		
Gross unrealized appreciation	\$	25,005,249
Gross unrealized depreciation		(9,292,534)
-----		
NET UNREALIZED APPRECIATION	\$	15,712,715
-----		

### 7 SHARES OF BENEFICIAL INTEREST

The Declaration of Trust permits the Trustees to issue an unlimited number of full and fractional \$0.01 par value common shares. Transactions in common shares were as follows:

	YEAR ENDED NOVEMBER 30,	
	2003	2002
-----		
Shares issued pursuant to the Trust's dividend reinvestment plan	181,895	197,404
-----		
NET INCREASE	181,895	197,404
-----		

### 8 FINANCIAL INSTRUMENTS

The Trust regularly trades in financial instruments with off-balance sheet risk in the normal course of its investing activities to assist in managing

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exposure to various market risks. These financial instruments include futures contracts and interest rate swaps and may involve, to a varying degree, elements of risk in excess of the amounts recognized for financial statement purposes. The notional or contractual amounts of these instruments represent the investment the Trust has in particular classes of financial instruments and does not necessarily represent the amounts potentially subject to risk. The measurement of the risks associated with these instruments is meaningful only when all related and offsetting transactions are considered.

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A summary of obligations under these financial instruments at November 30, 2003 is as follows:

### FUTURES CONTRACTS

EXPIRATION DATE(S)	CONTRACTS	POSITION	NET UNREALIZED APPRECIATION
3/04	275 U.S. Treasury Bond	Short	\$ 402,523
3/04	175 U.S. Treasury Note	Short	210,029
			\$ 612,552

At November 30, 2003, the Trust had sufficient cash and/or securities to cover margin requirements on open futures contracts.

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### EATON VANCE MUNICIPAL INCOME TRUST AS OF NOVEMBER 30, 2003 INDEPENDENT AUDITORS' REPORT

TO THE TRUSTEES AND SHAREHOLDERS OF EATON VANCE MUNICIPAL INCOME TRUST:

We have audited the accompanying statement of assets and liabilities of Eaton Vance Municipal Income Trust (the Trust), including the portfolio of investments, as of November 30, 2003, and the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, and the financial highlights for each of the years in the four year period ended November 30, 2003 and for the period from the start of business, January 29, 1999, to November 30, 1999. These financial statements and financial highlights are the responsibility of the Trust's management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. Our procedures included confirmation of securities held as of November 30, 2003 by correspondence with the custodian. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis

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for our opinion.

In our opinion, the financial statements and financial highlights, referred to above, present fairly, in all material respects, the financial position of Eaton Vance Municipal Income Trust as of November 30, 2003, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended, and the financial highlights for the respective stated periods, in conformity with accounting principles generally accepted in the United States of America.

DELOITTE & TOUCHE LLP  
Boston, Massachusetts  
January 13, 2004

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### EATON VANCE MUNICIPAL INCOME TRUST DIVIDEND REINVESTMENT PLAN

The Trust offers a dividend reinvestment plan (the Plan) pursuant to which shareholders automatically have dividends and capital gains distributions reinvested in common shares (the Shares) of the Trust unless they elect otherwise through their investment dealer. On the distribution payment date, if the net asset value per Share is equal to or less than the market price per Share plus estimated brokerage commissions then new Shares will be issued. The number of Shares shall be determined by the greater of the net asset value per Share or 95% of the market price. Otherwise, Shares generally will be purchased on the open market by the Plan Agent. Distributions subject to income tax (if any) are taxable whether or not shares are reinvested.

If your 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 will need to request that your shares be re-registered in your name with the Trust's transfer agent, PFPC, Inc. or you will not be able to participate.

The Plan Agent's service fee for handling distributions will be paid by the Trust. Each participant will be charged their pro rata share of brokerage commissions on all open-market purchases.

Plan participants may withdraw from the Plan at any time by writing to the Plan Agent at the address noted on the following page. If you withdraw, you will receive shares in your name for all Shares credited to your account under the Plan. If a participant elects by written notice to the Plan Agent to have the Plan Agent sell part or all of his or her Shares and remit the proceeds, the Plan Agent is authorized to deduct a \$5.00 fee plus brokerage commissions from the proceeds.

If you wish to participate in the Plan and your shares are held in your own name, you may complete the form on the following page and deliver it to the Plan Agent.

Any inquires regarding the Plan can be directed to the Plan Agent, PFPC, Inc., at 1-800-331-1710.

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### EATON VANCE MUNICIPAL INCOME TRUST APPLICATION FOR PARTICIPATION IN DIVIDEND REINVESTMENT PLAN





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### EATON VANCE MUNICIPAL INCOME TRUST MANAGEMENT AND ORGANIZATION

FUND MANAGEMENT. The Trustees of Eaton Vance Municipal Income Trust (the Trust) are responsible for the overall management and supervision of the Trust's affairs. The Trustees and officers of the Trust are listed below. Except as indicated, each individual has held the office shown or other offices in the same company for the last five years. The "noninterested Trustees" consist of those Trustees who are not "interested persons" of the Trust, as that term is defined under the 1940 Act. The business address of each Trustee and officer is The Eaton Vance Building, 255 State Street, Boston, Massachusetts 02109. As used below, "EVC" refers to Eaton Vance Corp., "EV" refers to Eaton Vance, Inc., "EVM" refers to Eaton Vance Management, "BMR" refers to Boston Management and Research and "EVD" refers to Eaton Vance Distributors, Inc. EVC and EV are the corporate parent and trustee, respectively, of EVM and BMR. EVD is the Trust's principal underwriter and a wholly-owned subsidiary of EVM.

NAME AND DATE OF BIRTH	POSITION(S) WITH THE TRUST	TERM OF OFFICE AND LENGTH OF SERVICE	PRINCIPAL OCCUPATION(S) DURING PAST FIVE YEARS	NUMBER OF PORT IN FUND COM OVERSEEN TRUSTEE (1
INTERESTED TRUSTEE(S)				
Jessica M. Bibliowicz 11/28/59	Trustee	Until 2006. 3 years. Trustee since 1998	Chairman, President and Chief Executive Officer of National Financial Partners (financial services company) (since April 1999). President and Chief Operating Officer of John A. Levin & Co. (registered investment adviser) (July 1997 to April 1999) and a Director of Baker, Fentress & Company which owns John A. Levin & Co. (July 1997 to April 1999). Ms. Bibliowicz is an interested person because of her affiliation with a brokerage firm.	193
James B. Hawkes 11/9/41	Vice President and Trustee	Until 2004. 3 years. Trustee since 1998.	Chairman, President and Chief Executive Officer of BMR, EVC, EVM and EV; Director of EV; Vice President and Director of EVD. Trustee and/or officer of 195 registered investment companies in the Eaton Vance Fund Complex. Mr. Hawkes is an interested person because of his positions with BMR, EVM, EVC and EV, which are affiliates of the Trust.	195

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NONINTERESTED TRUSTEE(S)

Samuel L. Hayes, III 2/23/35	Trustee	Until 2004. 3 years. Trustee since 1998.	Jacob H. Schiff Professor of Investment Banking Emeritus, Harvard University Graduate School of Business Administration.	195
William H. Park 9/19/47	Trustee	Until 2005. 3 years. Trustee since 2003.	President and Chief Executive Officer, Prizm Capital Management, LLC (investment management firm) (since 2002). Executive Vice President and Chief Financial Officer, United Asset Management Corporation (a holding company owning institutional investment management firms) (1982-2001).	192
Ronald A. Pearlman 7/10/40	Trustee	Until 2006. 3 years. Trustee since 2003.	Professor of Law, Georgetown University Law Center (since 1999). Tax Partner Covington & Burling, Washington, DC (1991-2000).	192

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NAME AND DATE OF BIRTH	POSITION(S) WITH THE TRUST	TERM OF OFFICE AND LENGTH OF SERVICE	PRINCIPAL OCCUPATION(S) DURING PAST FIVE YEARS	NUMBER OF PORT IN FUND COM OVERSEEN TRUSTEE (1
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NONINTERESTED TRUSTEE(S) (CONTINUED)

Norton H. Reamer 9/21/35	Trustee	Until 2005. 3 years. Trustee since 1998.	President and Chief Executive Officer of Asset Management Finance Corp. (a specialty finance company serving the investment management industry) (since October 2003). President, Unicorn Corporation (an investment and financial advisory services company) (since September 2000). Formerly, Chairman, Hellman, Jordan Management Co., Inc. (an investment management company) (2000-2003).	195
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Formerly, Advisory Director of Berkshire Capital Corporation (investment banking firm) (2002-2003). Formerly, Chairman of the Board, United Asset Management Corporation (a holding company owning institutional investment management firms) and Chairman, President and Director, UAM Funds (mutual funds) (1980-2000).

Lynn A. Stout 9/14/57	Trustee	Until 2005. 3 years. Trustee since 1998.	Professor of Law, University of California at Los Angeles School of Law (since July 2001). Formerly, Professor of Law, Georgetown University Law Center.	195
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PRINCIPAL OFFICERS WHO ARE NOT TRUSTEES

NAME AND DATE OF BIRTH	POSITION(S) WITH THE TRUST	TERM OF OFFICE AND LENGTH OF SERVICE	PRINCIPAL OCCUPATION DURING PAST
Thomas J. Fetter 8/20/43	President	Since 1998	Vice President of EVM and BMR The Massachusetts Health & Edu Officer of 127 registered inv by EVM or BMR.
Robert B. MacIntosh 1/22/57	Vice President	Since 1998	Vice President of EVM and BMR investment companies managed
Thomas M. Metzold 8/3/58	Vice President	Since 1998	Vice President of EVM and BMR investment companies managed
Alan R. Dynner 10/10/40	Secretary	Since 1998	Vice President, Secretary and BMR, EVM, EVD, EV and EVC. Of investment companies managed
James L. O'Connor 4/1/45	Treasurer	Since 1998	Vice President of BMR, EVM an registered investment compani

(1) Includes both master and feeder funds in a master-feeder structure.

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INVESTMENT ADVISER AND ADMINISTRATOR OF EATON VANCE MUNICIPAL INCOME TRUST  
EATON VANCE MANAGEMENT  
The Eaton Vance Building  
255 State Street  
Boston, MA 02109

CUSTODIAN  
INVESTORS BANK & TRUST COMPANY  
200 Clarendon Street  
Boston, MA 02116

TRANSFER AGENT AND DIVIDEND DISBURSING AGENT  
PFPC INC.  
P.O. Box 43027  
Providence, RI 02940-3027  
(800) 331-1710

INDEPENDENT AUDITORS  
DELOITTE & TOUCHE LLP  
200 Berkeley Street  
Boston, MA 02116-5022

EATON VANCE MUNICIPAL INCOME TRUST  
THE EATON VANCE BUILDING  
255 STATE STREET  
BOSTON, MA 02109

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## ITEM 2. CODE OF ETHICS

The registrant has adopted a code of ethics applicable to its Principal Executive Officer, Principal Financial Officer and Principal Accounting Officer. The registrant undertakes to provide a copy of such code of ethics to any person upon request, without charge, by calling 1-800-262-1122.

## ITEM 3. AUDIT COMMITTEE FINANCIAL EXPERT

The registrant's Board has designated William H. Park, Samuel L. Hayes, III and Norton H. Reamer, each an independent trustee, as its audit committee financial

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experts. Mr. Park is a certified public accountant who is the President and Chief Executive Officer of Prizm Capital Management, LLC (a fixed income investment management firm). Previously, he served as Executive Vice President and Chief Financial Officer of United Asset Management Corporation ("UAM") (a holding company

owning institutional investment management firms). Mr. Hayes is the Jacob H. Schiff Professor of Investment Banking Emeritus of the Harvard University Graduate School of Business Administration. Mr. Reamer is the President of Unicorn Capital (an investment and financial advisory services company), Chairman of Hellman, Jordan Management Co., Inc. (an investment management company) and Advisory Director of Berkshire Capital Corporation (an investment banking firm). Previously, Mr. Reamer was Chairman of the Board of UAM and Chairman, President and Director of the UAM Funds (mutual funds).

### ITEM 4. PRINCIPAL ACCOUNTANT FEES AND SERVICES

Not required in this filing.

### ITEM 5. AUDIT COMMITTEE OF LISTED REGISTRANTS

Not required in this filing.

### ITEM 6. [RESERVED]

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

Not required in this filing since the registrant invests exclusively in non-voting securities.

### ITEM 8. [RESERVED]

### ITEM 9. 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 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 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 significant changes in the registrant's internal controls or in other factors that could significantly affect these controls subsequent to the date of their evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

### ITEM 10. EXHIBITS

- (a) (1) Registrant's Code of Ethics - Not applicable (please see Item 2).
- (a) (2) (i) Treasurer's Section 302 certification.
- (a) (2) (ii) President's Section 302 certification.
- (b) Combined Section 906 certification.

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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.

EATON VANCE MUNICIPAL INCOME TRUST

By: /s/ Thomas J. Fetter

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Thomas J. Fetter  
President

Date: January 13, 2004

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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/ James L. O'Connor

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James L. O'Connor  
Treasurer

Date: January 13, 2004

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By: /s/ Thomas J. Fetter

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Thomas J. Fetter  
President

Date: January 13, 2004

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