

DREYFUS MUNICIPAL INCOME INC
Form N-CSR
December 01, 2015

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

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT
INVESTMENT COMPANIES

Investment Company Act file number 811- 05652

Dreyfus Municipal Income, Inc.
(Exact name of Registrant as specified in charter)

c/o The Dreyfus Corporation

200 Park Avenue

New York, New York 10166
(Address of principal executive offices) (Zip code)

Bennett MacDougall, Esq.

200 Park Avenue

New York, New York 10166
(Name and address of agent for service)

Registrant's telephone number, including area code: (212) 922-6000

Date of fiscal year end: 09/30

Date of reporting period: 09/30/2015

FORM N-CSR

Item 1. Reports to Stockholders.

Dreyfus Municipal Income, Inc.

ANNUAL REPORT

September 30, 2015

Dreyfus Municipal Income, Inc.

Protecting Your Privacy Our Pledge to You

THE FUND IS COMMITTED TO YOUR PRIVACY. On this page, you will find the Fund's policies and practices for collecting, disclosing, and safeguarding "nonpublic personal information," which may include financial or other customer information. These policies apply to individuals who purchase Fund shares for personal, family, or household purposes, or have done so in the past. This notification replaces all previous statements of the Fund's consumer privacy policy, and may be amended at any time. We'll keep you informed of changes as required by law.

YOUR ACCOUNT IS PROVIDED IN A SECURE ENVIRONMENT. The Fund maintains physical, electronic and procedural safeguards that comply with federal regulations to guard nonpublic personal information. The Fund's agents and service providers have limited access to customer information based on their role in servicing your account.

THE FUND COLLECTS INFORMATION IN ORDER TO SERVICE AND ADMINISTER YOUR ACCOUNT. The Fund collects a variety of nonpublic personal information, which may include:

- Information we receive from you, such as your name, address, and social security number.
- Information about your transactions with us, such as the purchase or sale of Fund shares.
- Information we receive from agents and service providers, such as proxy voting information.

THE FUND DOES NOT SHARE NONPUBLIC PERSONAL INFORMATION WITH ANYONE, EXCEPT AS PERMITTED BY LAW.

Thank you for this opportunity to serve you.

The views expressed in this report reflect those of the portfolio manager only through the end of the period covered and do not necessarily represent the views of Dreyfus or any other person in the Dreyfus organization. Any such views are subject to change at any

time based upon market or other conditions and Dreyfus disclaims any responsibility to update such views. These views may not be relied on as investment advice and, because investment decisions for a Dreyfus fund are based on numerous factors, may not be relied on as an indication of trading intent on behalf of any Dreyfus fund.

Not FDIC-Insured • Not Bank-Guaranteed • May Lose Value

Contents

THE FUND

<u>A Letter from the President</u>	<u>2</u>
<u>Discussion of Fund Performance</u>	<u>3</u>
<u>Selected Information</u>	<u>5</u>
<u>Statement of Investments</u>	<u>6</u>
<u>Statement of Assets and Liabilities</u>	<u>16</u>
<u>Statement of Operations</u>	<u>17</u>
<u>Statement of Cash Flows</u>	<u>18</u>
<u>Statement of Changes in Net Assets</u>	<u>19</u>
<u>Financial Highlights</u>	<u>20</u>
<u>Notes to Financial Statements</u>	<u>22</u>
<u>Report of Independent Registered Public Accounting Firm</u>	<u>30</u>
<u>Additional Information</u>	<u>31</u>
<u>Important Tax Information</u>	<u>35</u>
<u>Proxy Results</u>	<u>36</u>
<u>Information About the Renewal of the Fund's Management Agreement</u>	<u>37</u>
<u>Board Members Information</u>	<u>41</u>
<u>Officers of the Fund</u>	<u>44</u>
<u>Officers and Directors</u>	<u>49</u>
FOR MORE INFORMATION	

Back Cover

Dreyfus Municipal Income, Inc.

The Fund

A LETTER FROM THE PRESIDENT

Dear Shareholder:

We are pleased to present this annual report for Dreyfus Municipal Income, Inc., covering the 12-month period from October 1, 2014, through September 30, 2015. For information about how the fund performed during the reporting

period, as well as general market perspectives, we provide a Discussion of Fund Performance on the pages that follow.

Financial markets proved volatile over the reporting period. For much of the year, a recovering U.S. economy enabled stocks to advance, but those gains were erased during the third quarter of 2015 when economic concerns in China, falling commodity prices, and a stronger U.S. dollar sparked sharp corrections in equity markets throughout the world. The emerging markets were especially hard hit. U.S. bonds generally fared better, rallying in late 2014 before reversing course in the spring as the domestic economy strengthened. Global economic instability sparked a renewed rally among U.S. government securities toward the reporting period's end, but corporate-backed and inflation-linked securities lost value.

We expect market volatility to persist over the near term as investors vacillate between hopes that current turmoil represents a healthy correction and fears that further disappointments could trigger a full-blown bear market. Our investment strategists and portfolio managers are monitoring developments carefully, keeping a close watch on Chinese fiscal and monetary policy, expectations of higher short-term interest rates in the United States, liquidity factors affecting various asset classes, and other developments that could influence investor sentiment. Over the longer term, we remain confident that markets are likely to stabilize as the world adjusts to slower Chinese economic growth, abundant energy resources, and the eventual normalization of U.S. monetary policy. In our view, investors will continue to be well served under these circumstances by a long-term perspective and a disciplined investment approach.

Thank you for your continued confidence and support.

Sincerely,

J. Charles Cardona
President
The Dreyfus Corporation

October 15, 2015

2

DISCUSSION OF FUND PERFORMANCE

For the period of October 1, 2014, through September 30, 2015, as provided by Daniel Barton and Jeffrey Burger, Portfolio Managers

Fund and Market Performance Overview

For the 12-month period ended September 30, 2015, Dreyfus Municipal Income, Inc. achieved a total return of 5.37% on a net-asset-value basis.¹ Over the same period, the fund provided aggregate income dividends of \$0.630 per share, which reflects a distribution rate of 6.67%.²

Municipal bonds generally produced modestly positive returns, as declines triggered by rising long-term interest rates during the spring of 2015 were more than offset by rallies early and late in the reporting period. The fund benefited in this environment from our focus on longer term, higher yielding securities.

The Fund's Investment Approach

The fund seeks to maximize current income exempt from federal income tax to the extent consistent with the preservation of capital. Under normal market conditions, the fund invests at least 80% of the value of its net assets in municipal obligations and invests in municipal obligations which, at the time of purchase, are rated investment grade or the unrated equivalent as determined by The Dreyfus Corporation in the case of bonds, and rated in the two highest rating categories or the unrated equivalent as determined by Dreyfus in the case of short-term obligations having, or deemed to have, maturities of less than one year.

To this end, we have constructed a portfolio derived from seeking income opportunities through analysis of each bond's structure, including paying close attention to each bond's yield, maturity, and early redemption features. Over time, many of the fund's relatively higher yielding bonds mature or are redeemed by their issuers, and we generally attempt to replace those bonds with investments consistent with the fund's investment policies, albeit with yields that reflect the then-current interest-rate environment. When making new investments, we focus on identifying undervalued sectors and securities, and we minimize the use of interest rate forecasting. We use fundamental analysis to estimate the relative value and attractiveness of various sectors and securities and to exploit pricing inefficiencies in the municipal bond market.

Fluctuating Interest Rates Sparked Market Volatility

Over the final months of 2014, global investors seeking more competitive yields than were available in overseas markets flocked to higher yielding investments in the United States, and the resulting supply-and-demand imbalance put downward pressure on U.S. bond yields. This trend began to reverse in early 2015, when longer term interest rates drifted higher amid stronger-than-expected employment data, but an economic soft patch during the winter soon caused yields to moderate. Longer term interest rates resumed their climb when economic growth reaccelerated in the spring, but renewed concerns about sluggish economic growth and depreciating currency values in China pushed bond yields lower and prices higher over the summer.

3

DISCUSSION OF FUND PERFORMANCE *(continued)*

Municipal bonds also encountered volatility related to changing supply-and-demand dynamics. After experiencing robust demand for a limited supply of newly issued bonds during 2014, issuance volumes climbed during 2015 as issuers rushed to refinance existing debt before expected increases in interest rates.

Isolated pockets of weak credit conditions in Illinois, New Jersey, and Puerto Rico had relatively little impact on the national market. Many states and local municipalities have seen tax revenues climb beyond pre-recession levels, enabling them to balance their budgets and replenish reserves.

Longer Term Revenue Bonds Buoyed Relative Results

Our sector allocation strategy proved effective over the reporting period, as overweighted exposure to higher yielding, longer term revenue bonds enabled the fund to participate more fully in their strength compared to general obligation and escrowed bonds. The fund achieved particularly favorable results through bonds backed by hospitals, airports, and the states' settlement of litigation with U.S. tobacco companies. The fund avoided some of the weaker segments of the municipal bond market, most notably Puerto Rico bonds that were hurt by the U.S. territory's deteriorating fiscal condition.

Relative performance also was aided by our interest rate strategies. A relatively long average duration helped the fund benefit during times of falling long-term interest rates. The fund's leveraging strategy, which employed tender option bonds, helped magnify the benefits of these strategies.

On the other hand, the fund's relative results were constrained to a degree by Illinois and Chicago bonds that were undermined by recent credit quality concerns.

A Constructive Investment Posture

We expect market volatility to persist over the near term in anticipation of higher short-term interest rates, but we remain optimistic about the market's longer term prospects in a growing U.S. economy. Therefore, we have maintained the fund's focus on longer term, income-oriented municipal bonds. We also have attempted to take advantage of bouts of market volatility to purchase certain credits at attractive prices, including securities in New Jersey, Illinois, and Chicago that we believe were punished more severely than warranted by their underlying credit fundamentals.

October 15, 2015

Bond funds are subject generally to interest rate, credit, liquidity, and market risks, to varying degrees. Generally, all other factors being equal, bond prices are inversely related to interest-rate changes, and rate increases can cause price declines. High yield bonds are subject to increased credit risk and are considered speculative in terms of the issuer's perceived ability to continue making interest payments on a timely basis and to repay principal upon maturity. The use of leverage may magnify the fund's gains or losses. For derivatives with a leveraging component, adverse changes in the value or level of the underlying asset can result in a loss that is much greater than the original investment in the derivative.

¹ *Total return includes reinvestment of dividends and any capital gains paid, based upon net asset value per share. Past performance is no guarantee of future results. Market price per share, net asset value per share, and investment return fluctuate. Income may be subject to state and local taxes, and some income may be subject to the federal alternative minimum tax (AMT) for certain investors. Capital gains, if any, are fully taxable.*

² *Distribution rate per share is based upon dividends per share paid from net investment income during the period, divided by the market price per share at the end of the period, adjusted for any capital gain distributions.*

4

SELECTED INFORMATION

September 30, 2015 (Unaudited)

Market Price per share September 30, 2015	\$9.45
Shares Outstanding September 30, 2015	20,723,399
NYSE AMEX Ticker Symbol	DMF

MARKET PRICE (NYSE AMEX)

	Fiscal Year Ended September 30, 2015				
Quarter Ended	Quarter Ended	Quarter Ended	Quarter Ended	Quarter Ended	Quarter Ended

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	December 31, 2014		March 31, 2015	June 30, 2015	September 30, 2015
High	\$9.62	\$10.04		\$9.74	\$9.45
Low	9.08	9.25		8.87	8.87
Close	9.62	9.65		8.92	9.45

PERCENTAGE GAIN (LOSS) based on change in Market Price*

October 24, 1988 (commencement of operations)	469.14%
through September 30, 2015	
October 1, 2005 through September 30, 2015	89.44
October 1, 2010 through September 30, 2015	32.58
October 1, 2014 through September 30, 2015	11.15
January 1, 2015 through September 30, 2015	3.30
April 1, 2015 through September 30, 2015	1.33
July 1, 2015 through September 30, 2015	7.79

NET ASSET VALUE PER SHARE

October 24, 1988 (commencement of operations)	\$9.26
September 30, 2014	9.68
December 31, 2014	9.73
March 31, 2015	9.74
June 30, 2015	9.47
September 30, 2015	9.54

PERCENTAGE GAIN (LOSS) based on change in Net Asset Value*

October 24, 1988 (commencement of operations)	520.49%
through September 30, 2015	
October 1, 2005 through September 30, 2015	84.72
October 1, 2010 through September 30, 2015	37.72
October 1, 2014 through September 30, 2015	5.37
January 1, 2015 through September 30, 2015	3.10
April 1, 2015 through September 30, 2015	1.34
July 1, 2015 through September 30, 2015	2.49

*With dividends reinvested.

5

STATEMENT OF INVESTMENTS

September 30, 2015

Long-Term Municipal Investments - 149.2%	Coupon Rate (%)	Maturity Date	Principal Amount (\$)	Value (\$)
Alabama - 1.4% Jefferson County, Sewer Revenue Warrants	0/7.75	10/1/46	4,000,000	^a 2,724,280
Arizona - 8.5% Barclays Capital Municipal Trust Receipts (Series 21 W),	5.00	1/1/38	9,998,763	^{b,c} 10,752,363

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(Salt River Project Agricultural Improvement and Power District, Salt River Project Electric System Revenue) Recourse Pima County Industrial Development Authority, Education Revenue (American Charter Schools Foundation Project)	5.63	7/1/38	1,000,000	938,370
Pinal County Electrical District Number 4, Electric System Revenue (Prerefunded)	6.00	12/1/18	2,300,000	d 2,663,446
Salt Verde Financial Corporation, Senior Gas Revenue	5.00	12/1/37	2,190,000	2,444,390
				16,798,569
California - 23.4%				
California, GO (Various Purpose)	5.75	4/1/31	3,950,000	4,575,009
California, GO (Various Purpose)	6.00	3/1/33	1,250,000	1,508,088
California, GO (Various Purpose)	6.50	4/1/33	3,000,000	3,563,130
California, GO (Various Purpose)	6.00	11/1/35	2,500,000	2,992,550
Chula Vista, IDR (San Diego Gas and Electric Company)	5.88	2/15/34	2,000,000	2,291,800
JPMorgan Chase Putters/Drivers Trust (Series 3869), (Los Angeles Department of Airports, Senior Revenue (Los Angeles International Airport)) Non-recourse	5.25	5/15/18	10,000,000	b,c 11,645,400
JPMorgan Chase Putters/Drivers Trust (Series 4414), (Los Angeles Department of Airports, Senior Revenue (Los Angeles International Airport)) Non-recourse	5.00	5/15/21	4,000,000	b,c 4,443,560
JPMorgan Chase Putters/Drivers Trust (Series 4421), (The Regents of the University of California, General Revenue) Non-recourse	5.00	5/15/21	3,750,000	b,c 4,282,388
Sacramento County, Airport System Subordinate and Passenger Facility Charges Grant Revenue	6.00	7/1/35	2,250,000	2,516,490
Santa Ana Community Redevelopment Agency, Tax Allocation Revenue (Merged Project Area)	6.75	9/1/28	3,000,000	3,617,910

6

Long-Term Municipal Investments - 149.2% (continued)	Coupon Rate (%)	Maturity Date	Principal Amount (\$)	Value (\$)
California - 23.4% (continued)				
Tobacco Securitization Authority of Southern California, Tobacco Settlement Asset-Backed Bonds (San Diego County Tobacco Asset Securitization Corporation)	5.00	6/1/37	3,500,000	3,085,740
Tuolumne Wind Project Authority, Revenue (Tuolumne Company Project)	5.88	1/1/29	1,500,000	1,722,495
				46,244,560
Colorado - 6.6%				
Colorado Educational and Cultural Facilities Authority,				

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Charter School Revenue (American Academy Project) (Prerefunded)	8.00	12/1/18	1,500,000	1,719,285
E-470 Public Highway Authority, Senior Revenue	5.25	9/1/25	1,000,000	1,122,920
E-470 Public Highway Authority, Senior Revenue	5.38	9/1/26	1,000,000	1,123,170
JPMorgan Chase Putters/Drivers Trust (Series 4386), (Board of Governors of the Colorado State University, System Enterprise Revenue) Non-recourse	5.00	3/1/20	2,550,000	2,834,707
RIB Floater Trust (Barclays Bank PLC) (Series 25 U-1), (Colorado Springs, Utilities System Improvement Revenue) Recourse	5.00	11/15/43	4,000,000	4,487,080
University of Colorado Regents, University Enterprise Revenue (Prerefunded)	5.38	6/1/19	1,500,000	1,730,940
				13,018,102

District of Columbia - 4.1%

RIB Floater Trust (Barclays Bank PLC) (Series 15 U), (District of Columbia, Income Tax Secured Revenue) Recourse	5.00	12/1/35	6,999,163	8,066,453
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Florida - 9.1%

Citizens Property Insurance Corporation, Coastal Account Senior Secured Revenue	5.00	6/1/25	2,000,000	2,384,380
Davie, Educational Facilities Revenue (Nova Southeastern University Project)	5.63	4/1/43	1,000,000	1,135,630
Greater Orlando Aviation Authority, Airport Facilities Revenue	6.25	10/1/20	3,980,000	4,690,947
Halifax Hospital Medical Center, HR	4.00	6/1/41	1,000,000	999,160
Mid-Bay Bridge Authority, Springing Lien Revenue (Prerefunded)	7.25	10/1/21	2,500,000	3,291,125
Palm Beach County Health Facilities Authority, Revenue (The Waterford Project) (Prerefunded)	5.88	11/15/17	1,400,000	1,553,020
Saint Johns County Industrial Development Authority,				

7

STATEMENT OF INVESTMENTS (continued)

Long-Term Municipal Investments - 149.2% (continued)	Coupon Rate (%)	Maturity Date	Principal Amount (\$)	Value (\$)
Florida - 9.1% (continued)				
Revenue (Presbyterian Retirement Communities Project)	5.88	8/1/40	2,500,000	2,764,850
South Lake County Hospital District, Revenue (South Lake Hospital, Inc.)	6.25	4/1/39	1,000,000	1,136,180
				17,955,292
Georgia - 2.7%				
Atlanta, Water and Wastewater Revenue (Prerefunded)	6.00	11/1/19	3,000,000	3,591,240
Atlanta Development Authority, Senior Lien Revenue (New Downtown Atlanta Stadium Project)	5.25	7/1/40	1,500,000	1,719,240
				5,310,480

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Hawaii - 1.4%

Hawaii Department of Budget and Finance, Special Purpose Revenue (Hawaiian Electric Company, Inc. and Subsidiary Projects)	6.50	7/1/39	2,400,000	2,731,560
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Illinois - 8.2%

Chicago, General Airport Third Lien Revenue (Chicago O'Hare International Airport)	5.63	1/1/35	1,000,000	1,147,580
Chicago, GO	5.00	1/1/24	1,000,000	1,007,400
Chicago, GO (Project and Refunding Series)	5.00	1/1/36	1,500,000	1,435,425
Chicago, Second Lien Water Revenue	5.00	11/1/28	1,000,000	1,081,310
Chicago, Second Lien Water Revenue	5.00	11/1/29	1,000,000	1,075,520
Illinois, GO	5.00	8/1/24	1,000,000	1,069,580
JPMorgan Chase Putters/Drivers Trust (Series 4360), (Greater Chicago Metropolitan Water Reclamation District, GO Capital Improvement Bonds) Non-recourse	5.00	12/1/19	2,500,000	2,791,375
Metropolitan Pier and Exposition Authority, Revenue (McCormick Place Expansion Project)	5.00	12/15/28	1,500,000	1,650,690
Metropolitan Pier and Exposition Authority, Revenue (McCormick Place Expansion Project)	5.00	6/15/53	1,500,000	1,529,685
Railsplitter Tobacco Settlement Authority, Tobacco Settlement Revenue	6.00	6/1/28	2,000,000	2,364,220
University of Illinois Board of Trustees, Auxiliary Facilities System Revenue	5.13	4/1/36	1,000,000	1,098,540
				16,251,325

Iowa - 1.1%

Iowa Student Loan Liquidity Corporation, Student Loan Revenue	5.75	12/1/28	2,110,000	2,265,971
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8

Long-Term Municipal Investments - 149.2% (continued)

Louisiana - .6%

Louisiana Public Facilities Authority, Revenue (CHRISTUS Health Obligated Group)	6.13	7/1/29	1,000,000	1,147,990
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Maine - .8%

Maine Health and Higher Educational Facilities Authority, Revenue (Maine General Medical Center Issue)	7.50	7/1/32	1,250,000	1,501,900
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Maryland - 3.2%

JPMorgan Chase Putters/Drivers Trust (Series 4422), (Mayor and City Council of Baltimore, Project Revenue (Water Projects)) Non-recourse	5.00	7/1/21	2,000,000	2,243,010
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Coupon Rate (%)	Maturity Date	Principal Amount (\$)	Value (\$)
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Maryland Economic Development Corporation, EDR (Transportation Facilities Project)	5.75	6/1/35	1,000,000	1,094,160
Maryland Economic Development Corporation, PCR (Potomac Electric Project)	6.20	9/1/22	2,500,000	2,897,275
				6,234,445

Massachusetts - 10.8%

Barclays Capital Municipal Trust Receipts (Series 15 W), (Massachusetts Health and Educational Facilities Authority, Revenue (Massachusetts Institute of Technology Issue)) Recourse	5.00	7/1/38	10,000,000	10,768,700
JPMorgan Chase Putters/Drivers Trust (Series 4395), (University of Massachusetts Building Authority, Project and Refunding Revenue) Non-recourse	5.00	5/1/21	3,698,335 ^c	4,109,238
Massachusetts Development Finance Agency, Revenue (Tufts Medical Center Issue)	7.25	1/1/32	1,500,000	1,812,045
Massachusetts Educational Financing Authority, Education Loan Revenue (Issue K)	5.25	7/1/29	2,210,000	2,408,900
Massachusetts Health and Educational Facilities Authority, Revenue (Suffolk University Issue)	6.25	7/1/30	2,000,000	2,305,000
				21,403,883

Michigan - 5.8%

Detroit, Water Supply System Senior Lien Revenue	5.00	7/1/31	1,500,000	1,604,145
Detroit, Water Supply System Senior Lien Revenue	5.00	7/1/36	3,000,000	3,160,500

9

STATEMENT OF INVESTMENTS (continued)

Long-Term Municipal Investments - 149.2% (continued)	Coupon Rate (%)	Maturity Date	Principal Amount (\$)	Value (\$)
Michigan - 5.8% (continued)				
Local Government Loan Program Revenue (Detroit Water and Sewerage Department, Water Supply System Revenue Senior Lien Local Project Bonds) (Insured; National Public Finance Guarantee Corp.)	5.00	7/1/36	500,000	540,040
Michigan Strategic Fund, SWDR (Genesee Power Station Project)	7.50	1/1/21	2,200,000	2,166,978
Royal Oak Hospital Finance Authority, HR (William Beaumont Hospital Obligated Group) (Prerefunded)	8.00	9/1/18	2,500,000	3,016,025
Wayne County Airport Authority, Airport Revenue (Detroit Metropolitan Wayne County Airport) (Insured; National Public Finance Guarantee Corp.)	5.00	12/1/34	1,000,000	1,005,630
				11,493,318
Minnesota - 2.4%				
Minneapolis, Health Care System Revenue (Fairview Health Services) (Prerefunded)	6.75	11/15/18	3,000,000	3,533,970
Saint Paul Housing and Redevelopment Authority,				

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Hospital Facility Revenue (HealthEast Care System Project)	5.00	11/15/44	1,200,000	1,281,012
				4,814,982

Mississippi - 2.6%

Mississippi Business Finance Corporation, PCR (System Energy Resources, Inc. Project)	5.88	4/1/22	2,935,000	2,994,052
Warren County, Gulf Opportunity Zone Revenue (International Paper Company Project)	5.38	12/1/35	2,000,000	2,218,060
				5,212,112

New Jersey - 4.0%

New Jersey Economic Development Authority, School Facilities Construction Revenue	5.25	6/15/40	1,250,000	1,294,138
New Jersey Economic Development Authority, Water Facilities Revenue (New Jersey - American Water Company, Inc. Project)	5.70	10/1/39	2,000,000	2,270,960
New Jersey Higher Education Student Assistance Authority, Student Loan Revenue (Insured; Assured Guaranty Corp.)	6.13	6/1/30	2,035,000	2,197,413
Tobacco Settlement Financing Corporation of New Jersey, Tobacco Settlement Asset-Backed Bonds	5.00	6/1/29	2,500,000	2,164,325
				7,926,836

New Mexico - 1.7%

Farmington, PCR (Public Service Company of New Mexico San Juan Project)	5.90	6/1/40	3,000,000	3,310,920
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Long-Term Municipal Investments - 149.2% (continued)

New York - 11.3%

	Coupon Rate (%)	Maturity Date	Principal Amount (\$)	Value (\$)
Barclays Capital Municipal Trust Receipts (Series 11 B), (New York City Transitional Finance Authority, Future Tax Secured Revenue) Recourse	5.00	5/1/30	7,996,797	8,954,557
New York City Educational Construction Fund, Revenue	6.50	4/1/28	1,500,000	1,834,530
New York City Industrial Development Agency, PILOT Revenue (Yankee Stadium Project) (Insured; Assured Guaranty Corp.)	7.00	3/1/49	1,435,000	1,687,833
Port Authority of New York and New Jersey, Special Project Bonds (JFK International Air Terminal LLC Project)	6.00	12/1/36	1,500,000	1,747,110
RIB Floater Trust (Barclays Bank PLC) (Series 16 U), (New York City Municipal Water Finance Authority, Water and Sewer System Second General Resolution Revenue) Recourse	5.00	6/15/44	7,400,000	8,190,394
				22,414,424

North Carolina - 2.8%

Barclays Capital Municipal Trust Receipts (Series 31 W), (North Carolina Medical Care Commission, Health Care Facilities Revenue (Duke University Health System)) Recourse	5.00	6/1/42	5,000,000	5,482,750
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Ohio - 1.2%

Butler County,

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Hospital Facilities Revenue (UC Health)	5.50	11/1/40	1,500,000	1,690,710
Ohio Air Quality Development Authority, Air Quality Revenue (Ohio Valley Electric Corporation Project)	5.63	10/1/19	600,000	668,934
				2,359,644

Pennsylvania - 2.7%

Clairton Municipal Authority, Sewer Revenue	5.00	12/1/42	1,000,000	1,063,020
JPMorgan Chase Putters/Drivers Trust (Series 3916), (Geisinger Authority, Health System Revenue (Geisinger Health System)) Non-recourse	5.13	6/1/35	2,000,000	2,203,540
Philadelphia, GO	6.50	8/1/41	1,750,000	2,084,443
				5,351,003

South Carolina - 6.9%

JPMorgan Chase Putters/Drivers Trust (Series 4379), (South Carolina Public Service Authority, Revenue Obligations (Santee Cooper)) Non-recourse	5.13	6/1/37	4,800,000	5,264,832
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11

STATEMENT OF INVESTMENTS (continued)

Long-Term Municipal Investments - 149.2% (continued)	Coupon Rate (%)	Maturity Date	Principal Amount (\$)	Value (\$)
South Carolina - 6.9% (continued)				
South Carolina Public Service Authority, Revenue Obligations (Santee Cooper)	5.50	1/1/38	2,760,000	3,083,941
South Carolina Public Service Authority, Revenue Obligations (Santee Cooper) (Prerefunded)	5.50	1/1/19	240,000	275,683
Tobacco Settlement Revenue Management Authority of South Carolina, Tobacco Settlement Asset-Backed Bonds (Escrowed to Maturity)	6.38	5/15/30	3,750,000	5,101,125
				13,725,581
Tennessee - 1.1%				
JPMorgan Chase Putters/Drivers Trust (Series 4416), (Metropolitan Government of Nashville and Davidson County, Water and Sewer Revenue) Non-recourse	5.00	7/1/21	2,000,000	2,249,740
Texas - 17.4%				
Barclays Capital Municipal Trust Receipts (Series 39 W), (Texas A&M University System Board of Regents, Financing System Revenue) Recourse	5.00	5/15/39	5,000,000	5,683,000
Clifton Higher Education Finance Corporation, Revenue (Uplift Education)	4.25	12/1/34	1,000,000	971,820
Harris County-Houston Sports Authority, Senior Lien Revenue (Insured; Assured Guaranty Municipal Corp.) Houston,	0.00	11/15/52	4,000,000	673,280
Airport System Subordinate Lien Revenue	5.00	7/1/25	1,300,000	1,471,990
JPMorgan Chase Putters/Drivers Trust (Series 4356),	5.00	2/1/21	6,300,000	6,979,518

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(San Antonio, Electric and Gas Systems Junior Lien Revenue)

Non-recourse

La Vernia Higher Education Finance Corporation,

Education Revenue (Knowledge is Power Program, Inc.) (Prerefunded)	6.25	8/15/19	2,250,000	2,681,303
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Lower Colorado River Authority,

Transmission Contract Revenue (Lower Colorado River Authority Transmission Services Corporation Project)	5.00	5/15/45	2,500,000	2,769,600
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Lubbock Educational Facilities Authority,

Improvement Revenue (Lubbock Christian University)	5.25	11/1/37	1,500,000	1,548,195
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New Hope Cultural Education Facilities Finance Corporation,

Student Housing Revenue (National Campus and Community Development Corporation - College Station Properties LLC - Texas A&M University Project)	5.00	7/1/35	1,500,000	1,565,895
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North Texas Education Finance Corporation,

Education Revenue (Uplift Education)	5.13	12/1/42	2,000,000	2,100,580
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12

Long-Term Municipal Investments - 149.2% (continued)

Texas - 17.4% (continued)

North Texas Tollway Authority,

First Tier System Revenue (Insured; Assured Guaranty Corp.)	5.75	1/1/40	1,685,000	1,842,211
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North Texas Tollway Authority,

Second Tier System Revenue (Prerefunded)	5.75	1/1/18	4,000,000	4,447,320
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San Antonio,

General Improvement GO	5.00	2/1/21	1,325,000	1,568,813
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34,303,525

Washington - 4.4%

Barclays Capital Municipal Trust Receipts (Series 27 B),

(King County, Sewer Revenue) Recourse	5.00	1/1/29	2,999,037 ^c	3,471,372
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Washington Health Care Facilities Authority,

Mortgage Revenue (Highline Medical Center) (Collateralized; FHA) (Prerefunded)	6.25	8/1/18	2,990,000	3,435,809
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Washington Health Care Facilities Authority,

Revenue (Catholic Health Initiatives)	6.38	10/1/36	1,500,000	1,700,190
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8,607,371

West Virginia - .5%

The County Commission of Harrison County,

SWDR (Allegheny Energy Supply Company, LLC Harrison Station Project)	5.50	10/15/37	1,000,000	1,047,720
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Wyoming - 1.1%

Wyoming Municipal Power Agency,

Power Supply System Revenue	5.50	1/1/38	2,000,000	2,166,760
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U.S. Related - 1.4%

Guam,

LOR (Section 30)	5.75	12/1/34	1,500,000	1,665,435
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