

EATON VANCE MASSACHUSETTS MUNICIPAL INCOME TRUST  
Form N-Q  
October 30, 2007

# UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

## FORM N-Q

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

Investment Company Act File Number

**811-09147**

**Eaton Vance**

**Massachusetts Municipal Income Trust**

(Exact Name of Registrant as Specified in Charter)

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

**02109**  
(Zip code)

**Alan R. Dynner, Esq.**

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

Registrant's Telephone Number, Including Area Code:

(617) 482-8260

Date of Fiscal Year End:

November 30

Date of Reporting Period:

August 31, 2007

**Item 1. Schedule of Investments**

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Eaton Vance Massachusetts Municipal Income Trust

as of August 31, 2007

## PORTFOLIO OF INVESTMENTS (Unaudited)

## Tax-Exempt Investments 168.3%

| Principal Amount<br>(000 s omitted) | Security                                                                                                               | Value               |
|-------------------------------------|------------------------------------------------------------------------------------------------------------------------|---------------------|
| <b>Education 21.9%</b>              |                                                                                                                        |                     |
| \$ 2,790                            | Massachusetts Development Finance Agency, (Boston University), 5.45%, 5/15/59                                          | \$ 2,784,950        |
| 500                                 | Massachusetts Development Finance Agency, (Massachusetts College of Pharmacy), 5.75%, 7/1/33                           | 522,620             |
| 600                                 | Massachusetts Development Finance Agency, (Middlesex School), 5.00%, 9/1/33                                            | 605,106             |
| 500                                 | Massachusetts Development Finance Agency, (Mount Holyoke College), 5.25%, 7/1/31                                       | 512,685             |
| 1,500                               | Massachusetts Development Finance Agency, (Wheeler School), 6.50%, 12/1/29                                             | 1,551,690           |
| 1,000                               | Massachusetts Development Finance Agency, (Xaverian Brothers High School), 5.65%, 7/1/29                               | 1,010,290           |
| 1,000                               | Massachusetts Health and Educational Facilities Authority, (Boston College), 5.125%, 6/1/33                            | 1,022,440           |
| 215                                 | Massachusetts Health and Educational Facilities Authority, (Williams College), 4.50%, 7/1/33                           | 205,772             |
| 500                                 | Massachusetts Industrial Finance Agency, (Babson College), 5.25%, 10/1/27                                              | 505,030             |
|                                     |                                                                                                                        | <b>\$ 8,720,583</b> |
| <b>Electric Utilities 9.9%</b>      |                                                                                                                        |                     |
| \$ 1,000                            | Massachusetts Development Finance Agency, (Devens Electric System), 6.00%, 12/1/30                                     | \$ 1,049,930        |
| 1,870                               | Massachusetts Development Finance Agency, (Dominion Energy Brayton Point), (AMT), 5.00%, 2/1/36                        | 1,782,727           |
| 275                                 | Puerto Rico Electric Power Authority, DRIVERS, Variable Rate, 6.73%, 7/1/25 (1)(2)                                     | 288,733             |
| 825                                 | Puerto Rico Electric Power Authority, DRIVERS, Variable Rate, 6.73%, 7/1/37 (1)(2)                                     | 821,972             |
|                                     |                                                                                                                        | <b>\$ 3,943,362</b> |
| <b>Escrowed / Prerefunded 5.0%</b>  |                                                                                                                        |                     |
| \$ 400                              | Massachusetts Development Finance Agency, (Western New England College), Prerefunded to 12/1/12, 6.125%, 12/1/32       | \$ 448,052          |
| 980                                 | Massachusetts Health and Educational Facilities Authority, (Winchester Hospital), Prerefunded to 7/1/10, 6.75%, 7/1/30 | 1,055,470           |
| 1,000                               | Rail Connections, Inc., (Route 128 Parking), (ACA), Prerefunded to 7/1/09, 6.53%, 7/1/20                               | 469,610             |
|                                     |                                                                                                                        | <b>\$ 1,973,132</b> |
| 1                                   |                                                                                                                        |                     |

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|                                            |       |                                                                                                                |                     |
|--------------------------------------------|-------|----------------------------------------------------------------------------------------------------------------|---------------------|
| <b>Health Care - Miscellaneous 5.0%</b>    |       |                                                                                                                |                     |
| \$                                         | 300   | Massachusetts Development Finance Agency, (Linden Ponds Inc.), 5.75%, 11/15/35                                 | \$ 290,025          |
| 310                                        |       | Massachusetts Development Finance Agency, (Linden Ponds Inc.), 5.75%, 11/15/42                                 | 298,443             |
| 510                                        |       | Massachusetts Development Finance Agency, (MCHSP Human Services), 6.60%, 8/15/29                               | 504,446             |
| 100                                        |       | Massachusetts Development Finance Agency, (VOA Concord Assisted Living), 5.125%, 11/1/27                       | 90,431              |
| 100                                        |       | Massachusetts Development Finance Agency, (VOA Concord Assisted Living), 5.20%, 11/1/41                        | 85,528              |
| 700                                        |       | Massachusetts Health and Educational Facilities Authority, (Learning Center for Deaf Children), 6.125%, 7/1/29 | 710,528             |
|                                            |       |                                                                                                                | <b>\$ 1,979,401</b> |
| <b>Hospital 18.4%</b>                      |       |                                                                                                                |                     |
| \$                                         | 1,000 | Massachusetts Development Finance Agency, (Biomedical Research Corp.), 6.25%, 8/1/20                           | \$ 1,066,390        |
| 1,000                                      |       | Massachusetts Health and Educational Facilities Authority, (Baystate Medical Center), 5.75%, 7/1/33            | 1,027,240           |
| 400                                        |       | Massachusetts Health and Educational Facilities Authority, (Berkshire Health System), 6.25%, 10/1/31           | 418,272             |
| 105                                        |       | Massachusetts Health and Educational Facilities Authority, (Central New England Health Systems), 6.30%, 8/1/18 | 105,172             |
| 1,100                                      |       | Massachusetts Health and Educational Facilities Authority, (Covenant Health), 6.00%, 7/1/31                    | 1,147,245           |
| 680                                        |       | Massachusetts Health and Educational Facilities Authority, (Partners Healthcare Systems), 5.00%, 7/1/29        | 683,890             |
| 820                                        |       | Massachusetts Health and Educational Facilities Authority, (Partners Healthcare Systems), 5.00%, 7/1/32        | 820,262             |
| 2,000                                      |       | Massachusetts Health and Educational Facilities Authority, (South Shore Hospital), 5.75%, 7/1/29               | 2,040,560           |
|                                            |       |                                                                                                                | <b>\$ 7,309,031</b> |
| <b>Housing 13.6%</b>                       |       |                                                                                                                |                     |
| \$                                         | 2,100 | Massachusetts Housing Finance Agency, 4.75%, 12/1/48                                                           | \$ 1,887,165        |
| 1,000                                      |       | Massachusetts Housing Finance Agency, (AMT), 4.85%, 6/1/40                                                     | 929,590             |
| 650                                        |       | Massachusetts Housing Finance Agency, (AMT), 5.00%, 12/1/28                                                    | 635,388             |
| 2,000                                      |       | Massachusetts Housing Finance Agency, (AMT), 5.10%, 12/1/37                                                    | 1,950,160           |
|                                            |       |                                                                                                                | <b>\$ 5,402,303</b> |
| <b>Industrial Development Revenue 1.8%</b> |       |                                                                                                                |                     |
| \$                                         | 695   | Massachusetts Industrial Finance Agency, (American Hingham Water Co.), (AMT), 6.60%, 12/1/15                   | \$ 702,895          |
|                                            |       |                                                                                                                | <b>\$ 702,895</b>   |
| 2                                          |       |                                                                                                                |                     |

|                                          |       |                                                                                                                                           |                      |
|------------------------------------------|-------|-------------------------------------------------------------------------------------------------------------------------------------------|----------------------|
| <b>Insured-Education 26.6%</b>           |       |                                                                                                                                           |                      |
| \$                                       | 1,000 | Massachusetts College Building Authority, (XLCA),<br>5.50%, 5/1/39 (3)                                                                    | \$ 1,126,570         |
| 1,000                                    |       | Massachusetts Development Finance Agency, (Boston<br>University), (XLCA), 5.375%, 5/15/39                                                 | 1,086,760            |
| 1,365                                    |       | Massachusetts Development Finance Agency, (College of<br>the Holy Cross), (AMBAC), 5.25%, 9/1/32 (4)                                      | 1,505,727            |
| 1,600                                    |       | Massachusetts Development Finance Agency, (Franklin W.<br>Olin College), (XLCA), 5.25%, 7/1/33                                            | 1,642,288            |
| 1,000                                    |       | Massachusetts Health and Educational Facilities Authority,<br>(Northeastern University), (MBIA), 5.00%, 10/1/29                           | 1,011,730            |
| 4,500                                    |       | Massachusetts School Building Authority, (AMBAC),<br>4.50%, 8/15/35 (4)                                                                   | 4,224,240            |
|                                          |       |                                                                                                                                           | <b>\$ 10,597,315</b> |
| <b>Insured-Escrowed/Prerefunded 3.3%</b> |       |                                                                                                                                           |                      |
| \$                                       | 500   | Massachusetts Health and Educational Facilities Authority,<br>(UMass-Worcester Campus), (FGIC), Prerefunded to<br>10/1/11, 5.25%, 10/1/31 | \$ 529,205           |
| 750                                      |       | Puerto Rico Electric Power Authority, (FSA), Prerefunded<br>to 7/1/10, 5.25%, 7/1/29                                                      | 790,103              |
|                                          |       |                                                                                                                                           | <b>\$ 1,319,308</b>  |
| <b>Insured-General Obligations 9.2%</b>  |       |                                                                                                                                           |                      |
| \$                                       | 2,390 | Milford, (FSA), 4.25%, 12/15/46                                                                                                           | \$ 2,091,346         |
| 500                                      |       | Plymouth, (MBIA), 5.25%, 10/15/20                                                                                                         | 525,050              |
| 900                                      |       | Puerto Rico, (FSA), Variable Rate, 7.642%, 7/1/27 (1)(2)                                                                                  | 1,035,504            |
|                                          |       |                                                                                                                                           | <b>\$ 3,651,900</b>  |
| <b>Insured-Miscellaneous 5.1%</b>        |       |                                                                                                                                           |                      |
| \$                                       | 2,000 | Boston Convention Center, (AMBAC), 5.00%, 5/1/27                                                                                          | \$ 2,023,500         |
|                                          |       |                                                                                                                                           | <b>\$ 2,023,500</b>  |
| <b>Insured-Other Revenue 3.6%</b>        |       |                                                                                                                                           |                      |
| \$                                       | 1,250 | Massachusetts Development Finance Agency, (WGBH<br>Educational Foundation), (AMBAC), 5.75%, 1/1/42                                        | \$ 1,455,825         |
|                                          |       |                                                                                                                                           | <b>\$ 1,455,825</b>  |
| <b>Insured-Pooled Loans 2.8%</b>         |       |                                                                                                                                           |                      |
| \$                                       | 1,175 | Massachusetts Educational Financing Authority,<br>(AMBAC), (AMT), 4.70%, 1/1/33                                                           | \$ 1,099,941         |
|                                          |       |                                                                                                                                           | <b>\$ 1,099,941</b>  |
| <b>Insured-Special Tax Revenue 8.1%</b>  |       |                                                                                                                                           |                      |
| \$                                       | 1,500 | Martha s Vineyard Land Bank, (AMBAC), 5.00%, 5/1/32                                                                                       | \$ 1,519,080         |
| 8,945                                    |       | Puerto Rico Sales Tax Financing, (AMBAC), 0.00%, 8/1/54                                                                                   | 790,022              |
| 1,520                                    |       | Puerto Rico Sales Tax Financing, (MBIA), 0.00%, 8/1/44                                                                                    | 230,098              |
| 3                                        |       |                                                                                                                                           |                      |

|                                                                          |       |                                                                                                            |    |                     |
|--------------------------------------------------------------------------|-------|------------------------------------------------------------------------------------------------------------|----|---------------------|
| \$                                                                       | 3,015 | Puerto Rico Sales Tax Financing, (MBIA), 0.00%, 8/1/45                                                     | \$ | 433,497             |
| 1,905                                                                    |       | Puerto Rico Sales Tax Financing, (MBIA), 0.00%, 8/1/46                                                     |    | 260,052             |
|                                                                          |       |                                                                                                            | \$ | <b>3,232,749</b>    |
| <b>Insured-Transportation 15.2%</b>                                      |       |                                                                                                            |    |                     |
| \$                                                                       | 800   | Massachusetts Port Authority, (Bosfuel Project), (FGIC), 5.00%, 7/1/32                                     | \$ | 800,560             |
| 2,000                                                                    |       | Massachusetts Port Authority, (Bosfuel Project), (FGIC), 5.00%, 7/1/38                                     |    | 1,987,400           |
| 3,200                                                                    |       | Massachusetts Turnpike Authority, Metropolitan Highway System, (MBIA), 5.00%, 1/1/37 (4)                   |    | 3,211,039           |
| 33                                                                       |       | Massachusetts Turnpike Authority, Metropolitan Highway System, (MBIA), Variable Rate, 6.69%, 1/1/37 (1)(2) |    | 33,678              |
|                                                                          |       |                                                                                                            | \$ | <b>6,032,677</b>    |
| <b>Nursing Home 2.8%</b>                                                 |       |                                                                                                            |    |                     |
| \$                                                                       | 500   | Boston Industrial Development Authority, (Alzheimer's Center), (FHA), 6.00%, 2/1/37                        | \$ | 510,700             |
| 600                                                                      |       | Massachusetts Health and Educational Facilities Authority, (Christopher House), 6.875%, 1/1/29             |    | 609,324             |
|                                                                          |       |                                                                                                            | \$ | <b>1,120,024</b>    |
| <b>Senior Living / Life Care 3.8%</b>                                    |       |                                                                                                            |    |                     |
| \$                                                                       | 1,500 | Massachusetts Development Finance Agency, (Berkshire Retirement), 5.625%, 7/1/29                           | \$ | 1,496,130           |
|                                                                          |       |                                                                                                            | \$ | <b>1,496,130</b>    |
| <b>Special Tax Revenue 4.3%</b>                                          |       |                                                                                                            |    |                     |
| \$                                                                       | 7,195 | Massachusetts Bay Transportation Authority, 0.00%, 7/1/34                                                  | \$ | 1,733,060           |
|                                                                          |       |                                                                                                            | \$ | <b>1,733,060</b>    |
| <b>Water and Sewer 7.9%</b>                                              |       |                                                                                                            |    |                     |
| \$                                                                       | 100   | Massachusetts Water Pollution Abatement Trust, 5.00%, 8/1/32                                               | \$ | 101,037             |
| 375                                                                      |       | Massachusetts Water Pollution Abatement Trust, 5.25%, 8/1/33                                               |    | 385,590             |
| 965                                                                      |       | Massachusetts Water Pollution Abatement Trust, 5.375%, 8/1/27                                              |    | 996,353             |
| 2,000                                                                    |       | Massachusetts Water Resources Authority, 4.00%, 8/1/46                                                     |    | 1,655,800           |
|                                                                          |       |                                                                                                            | \$ | <b>3,138,780</b>    |
| <b>Total Tax-Exempt Investments 168.3%</b>                               |       |                                                                                                            |    |                     |
| <b>(identified cost \$66,924,760)</b>                                    |       |                                                                                                            | \$ | <b>66,931,916</b>   |
| <b>Other Assets, Less Liabilities (14.2)%</b>                            |       |                                                                                                            |    |                     |
| <b>Auction Preferred Shares Plus Cumulative Unpaid Dividends (54.1)%</b> |       |                                                                                                            | \$ | <b>(21,506,715)</b> |
| <b>Net Assets Applicable to Common Shares 100.0%</b>                     |       |                                                                                                            | \$ | <b>39,760,511</b>   |

ACA ACA Financial Guaranty Corporation  
 AMBAC AMBAC Financial Group, Inc.

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

The Trust invests primarily in debt securities issued by Massachusetts municipalities. The ability of the issuers of the debt securities to meet their obligations may be affected by economic developments in a specific industry or municipality. In order to reduce the risk associated with such economic developments, at August 31, 2007, 43.9% of total investments are backed by bond insurance of various financial institutions and financial guaranty assurance agencies. The aggregate percentage insured by an individual financial institution ranged from 5.0% to 18.9% of total investments.

- (1) Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be sold in transactions exempt from registration, normally to qualified institutional buyers. At August 31, 2007, the aggregate value of the securities is \$2,179,887 or 5.5% of the Trust's net assets applicable to common shares.
- (2) Security has been issued as a leveraged inverse floater bond. The stated interest rate represents the rate in effect at August 31, 2007.
- (3) Security (or a portion thereof) has been segregated to cover margin requirements on open financial futures contracts.
- (4) Security represents the underlying municipal obligation of an inverse floating rate obligation held by the Trust.

A summary of financial instruments at August 31, 2007 is as follows:

#### Futures Contracts

| Expiration Date | Contracts             | Position | Aggregate Cost  | Value           | Net Unrealized Appreciation |
|-----------------|-----------------------|----------|-----------------|-----------------|-----------------------------|
| 12/07           | 25 U.S. Treasury Bond | Short    | \$ (2,795,112 ) | \$ (2,789,063 ) | \$ 6,049                    |

#### Interest Rate Swaps

| Counterparty                         | Notional Amount | Annual Fixed Rate Paid By Trust | Floating Rate Paid To Trust | Effective Date/<br>Termination Date       | Unrealized Depreciation |
|--------------------------------------|-----------------|---------------------------------|-----------------------------|-------------------------------------------|-------------------------|
| Citibank, N.A.                       | \$ 925,000      | 5.732 %                         | 3 month<br>USD-LIBOR-BBA    | May 16, 2008/<br>May 16, 2038             | \$ (37,117 )            |
| Lehman Brothers, Inc.                | \$ 1,575,000    | 5.503 %                         | 3 month<br>USD-LIBOR-BBA    | September 28, 2008/<br>September 28, 2038 | \$ (8,972 )             |
| Merrill Lynch Capital Services, Inc. | \$ 2,500,000    | 5.817 %                         | 3 month<br>USD-LIBOR-BBA    | April 1, 2008/<br>April 1, 2038           | \$ (137,483 )           |
|                                      |                 |                                 |                             |                                           | \$ (183,572 )           |





The effective date represents the date on which the Trust and the counterparty to the interest rate swap contract begin interest payment accruals.

At August 31, 2007, the Trust had sufficient cash and/or securities to cover commitments under these contracts.

The cost and unrealized appreciation (depreciation) in value of the investments owned at August 31, 2007, as computed on a federal income tax basis, were as follows:

|                                    |            |                   |
|------------------------------------|------------|-------------------|
| <b>Aggregate cost</b>              | <b>\$</b>  | <b>60,812,537</b> |
| Gross unrealized appreciation      | \$         | 1,796,223         |
| Gross unrealized depreciation      | (1,720,177 | )                 |
| <b>Net unrealized appreciation</b> | <b>\$</b>  | <b>76,046</b>     |

**Item 2. Controls and Procedures**

(a) It is the conclusion of the registrant's principal executive officer and principal financial officer that the effectiveness of the registrant's current disclosure controls and procedures (such disclosure controls and procedures having been evaluated within 90 days of the date of this filing) provide reasonable assurance that the information required to be disclosed by the registrant 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 changes in the registrant's internal controls over financial reporting during the fiscal quarter for which the report is being filed that have materially affected, or are reasonably likely to materially affect the registrant's internal control over financial reporting.

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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 Massachusetts Municipal Income Trust

By: /s/ Robert B. MacIntosh  
Robert B. MacIntosh  
President and Principal Executive Officer  
Date: October 18, 2007

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

By: /s/ Robert B. MacIntosh  
Robert B. MacIntosh  
President and Principal Executive Officer  
Date: October 18, 2007  
By: /s/ Barbara E. Campbell  
Barbara E. Campbell  
Treasurer and Principal Financial Officer  
Date: October 18, 2007

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