

EATON VANCE MASSACHUSETTS MUNICIPAL INCOME TRUST

Form N-Q

October 29, 2013

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form N-Q

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

811-09147

Investment Company Act File Number

Eaton Vance Massachusetts Municipal Income Trust

(Exact Name of Registrant as Specified in Charter)

Two International Place, Boston, Massachusetts 02110

(Address of Principal Executive Offices)

Maureen A. Gemma

Two International Place, Boston, Massachusetts 02110

(Name and Address of Agent for Services)

(617) 482-8260

(Registrant's Telephone Number, Including Area Code)

November 30

Date of Fiscal Year End

August 31, 2013

Date of Reporting Period

Item 1. Schedule of Investments

Eaton Vance**Massachusetts Municipal Income Trust****August 31, 2013****PORTFOLIO OF INVESTMENTS (Unaudited)****Tax-Exempt Investments 161.7%**

	Principal Amount		
Security	(000 s omitted)		Value
Bond Bank 5.7%			
Massachusetts Water Pollution Abatement Trust, 5.25%, 8/1/33	\$ 910	\$	988,451
Massachusetts Water Pollution Abatement Trust, 5.25%, 8/1/34	990		1,073,734
		\$	2,062,185
Education 31.2%			
Massachusetts Development Finance Agency, (Middlesex School), 5.00%, 9/1/33	\$ 600	\$	599,994
Massachusetts Development Finance Agency, (Milton Academy), 5.00%, 9/1/35	1,080		1,106,266
Massachusetts Development Finance Agency, (New England Conservatory of Music), 5.25%, 7/1/38	625		621,519
Massachusetts Health and Educational Facilities Authority, (Berklee College of Music), 5.00%, 10/1/32	1,500		1,535,070
Massachusetts Health and Educational Facilities Authority, (Boston College), 5.50%, 6/1/35	1,640		1,790,306
Massachusetts Health and Educational Facilities Authority, (Harvard University), 5.00%, 10/1/38 ⁽¹⁾	1,500		1,560,795
Massachusetts Health and Educational Facilities Authority, (Massachusetts Institute of Technology), 5.00%, 7/1/38	415		429,226
Massachusetts Health and Educational Facilities Authority, (Northeastern University), 5.00%, 10/1/35	1,350		1,355,535
Massachusetts Health and Educational Facilities Authority, (Tufts University), 5.375%, 8/15/38	1,420		1,544,392
University of Massachusetts Building Authority, 5.00%, 11/1/39	750		764,872
		\$	11,307,975
General Obligations 17.3%			
Boston, 4.00%, 4/1/24	\$ 300	\$	317,031
Cambridge, 4.00%, 2/15/21	595		652,310
Danvers, 5.25%, 7/1/36	885		929,560
Lexington, 4.00%, 2/1/21	415		456,753
Lexington, 4.00%, 2/1/22	430		468,390
Lexington, 4.00%, 2/1/23	355		384,891
Newton, 5.00%, 4/1/36	750		765,375
Plymouth, 5.00%, 5/1/31	345		358,786
Plymouth, 5.00%, 5/1/32	315		326,340
Wayland, 5.00%, 2/1/33	510		537,754
Wayland, 5.00%, 2/1/36	770		804,897
Winchester, 5.00%, 4/15/36	245		256,361
		\$	6,258,448

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Hospital 30.2%

Massachusetts Development Finance Agency, (Berkshire Health Systems), 5.00%, 10/1/31	\$	1,000	\$	974,980
Massachusetts Development Finance Agency, (Tufts Medical Center), 7.25%, 1/1/32		600		675,138
Massachusetts Development Finance Agency, (UMass Memorial), 5.50%, 7/1/31		1,655		1,681,712
Massachusetts Health and Educational Facilities Authority, (Baystate Medical Center, Inc.), 5.75%, 7/1/36		1,210		1,238,447
Massachusetts Health and Educational Facilities Authority, (Children s Hospital), 5.25%, 12/1/39		500		502,870

	Principal Amount	
Security	(000 s omitted)	Value
Massachusetts Health and Educational Facilities Authority, (Dana-Farber Cancer Institute), 5.00%, 12/1/37	\$ 1,135	\$ 1,126,238
Massachusetts Health and Educational Facilities Authority, (Jordan Hospital), 6.75%, 10/1/33	755	755,294
Massachusetts Health and Educational Facilities Authority, (Lowell General Hospital), 5.125%, 7/1/35	970	922,237
Massachusetts Health and Educational Facilities Authority, (Partners Healthcare Systems), 5.00%, 7/1/32	2,000	2,015,820
Massachusetts Health and Educational Facilities Authority, (South Shore Hospital), 5.75%, 7/1/29	675	677,099
Massachusetts Health and Educational Facilities Authority, (Southcoast Health System), 5.00%, 7/1/29	350	350,063
		\$ 10,919,898
Housing 7.0%		
Massachusetts Housing Finance Agency, (AMT), 4.75%, 12/1/48	\$ 2,100	\$ 1,894,893
Massachusetts Housing Finance Agency, (AMT), 5.00%, 12/1/28	650	653,360
		\$ 2,548,253
Industrial Development Revenue 1.9%		
Massachusetts Development Finance Agency, (Covanta Energy), (AMT), 4.875%, 11/1/27	\$ 800	\$ 681,392
		\$ 681,392
Insured-Education 7.0%		
Massachusetts College Building Authority, (XLCA), 5.50%, 5/1/39	\$ 1,000	\$ 1,090,740
Massachusetts Development Finance Agency, (College of the Holy Cross), (AMBAC), 5.25%, 9/1/32 ⁽¹⁾⁽²⁾	1,365	1,445,399
		\$ 2,536,139
Insured-Electric Utilities 1.2%		
Puerto Rico Electric Power Authority, (NPFPG), 5.25%, 7/1/29	\$ 550	\$ 428,676
		\$ 428,676
Insured-General Obligations 3.2%		
Massachusetts, (AMBAC), 5.50%, 8/1/30	\$ 1,000	\$ 1,139,920
		\$ 1,139,920
Insured-Hospital 1.0%		
Massachusetts Health and Educational Facilities Authority, (Cape Cod Healthcare), (AGC), 5.00%, 11/15/25	\$ 335	\$ 345,087
		\$ 345,087
Insured-Other Revenue 1.7%		
Massachusetts Development Finance Agency, (WGBH Educational Foundation), (AMBAC), 5.75%, 1/1/42	\$ 590	\$ 623,199

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\$ 623,199

Insured-Special Tax Revenue 11.1%

Martha's Vineyard Land Bank, (AMBAC), 5.00%, 5/1/32	\$ 1,450	\$ 1,457,685
Massachusetts, Special Obligation, Dedicated Tax Revenue, (NPFG), 5.50%, 1/1/29	1,000	1,095,860
Massachusetts School Building Authority, Dedicated Sales Tax Revenue, (AMBAC), 5.00%, 8/15/37 ⁽¹⁾	1,340	1,352,650
Puerto Rico Sales Tax Financing Corp., (NPFG), 0.00%, 8/1/45	1,105	107,870

\$ 4,014,065

Insured-Student Loan 4.9%

Massachusetts Educational Financing Authority, (AGC), (AMT), 6.35%, 1/1/30	\$ 320	\$ 332,835
Massachusetts Educational Financing Authority, (AMBAC), (AMT), 4.70%, 1/1/33	1,595	1,430,827

\$ 1,763,662

	Principal Amount	
Security	(000 s omitted)	Value
Insured-Transportation 0.8%		
Massachusetts Port Authority, (Bosfuel Project), (NPFG), (AMT), 5.00%, 7/1/32	\$ 315	\$ 302,353
		\$ 302,353
Other Revenue 3.0%		
Massachusetts Health and Educational Facilities Authority, (Isabella Stewart Gardner Museum), 5.00%, 5/1/22	\$ 500	\$ 549,815
Massachusetts Health and Educational Facilities Authority, (Isabella Stewart Gardner Museum), 5.00%, 5/1/25	505	539,072
		\$ 1,088,887
Senior Living/Life Care 6.3%		
Massachusetts Development Finance Agency, (Berkshire Retirement Community, Inc.), 5.15%, 7/1/31	\$ 250	\$ 224,350
Massachusetts Development Finance Agency, (Berkshire Retirement Community, Inc.), 5.625%, 7/1/29	1,500	1,445,100
Massachusetts Development Finance Agency, (Carleton-Willard Village), 5.625%, 12/1/30	125	127,426
Massachusetts Development Finance Agency, (VOA Concord Assisted Living, Inc.), 5.125%, 11/1/27	140	123,699
Massachusetts Development Finance Agency, (VOA Concord Assisted Living, Inc.), 5.20%, 11/1/41	475	376,808
		\$ 2,297,383
Special Tax Revenue 9.0%		
Massachusetts Bay Transportation Authority, 5.25%, 7/1/34	\$ 140	\$ 148,230
Massachusetts Bay Transportation Authority, Sales Tax Revenue, 0.00%, 7/1/31	1,665	729,370
Massachusetts Bay Transportation Authority, Sales Tax Revenue, 0.00%, 7/1/34	5,195	1,951,034
Virgin Islands Public Finance Authority, 5.00%, 10/1/39	75	68,863
Virgin Islands Public Finance Authority, 6.75%, 10/1/37	335	365,877
		\$ 3,263,374
Transportation 7.5%		
Massachusetts Department of Transportation, (Metropolitan Highway System), 5.00%, 1/1/37	\$ 1,500	\$ 1,502,325
Massachusetts Port Authority, 5.00%, 7/1/28	500	536,170
Massachusetts Port Authority, 5.00%, 7/1/34	670	683,320
		\$ 2,721,815
Water and Sewer 11.7%		
Boston Water and Sewer Commission, 5.00%, 11/1/26	\$ 2,005	\$ 2,191,225
Boston Water and Sewer Commission, 5.00%, 11/1/29	495	531,595
Boston Water and Sewer Commission, 5.00%, 11/1/31	225	239,713
Massachusetts Water Resources Authority, 5.00%, 8/1/28	1,195	1,277,897
		\$ 4,240,430
Total Tax-Exempt Investments 161.7% (identified cost \$58,750,341)		\$ 58,543,141

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Auction Preferred Shares Plus Cumulative Unpaid Dividends	(55.4)%	\$ (20,050,269)
Other Assets, Less Liabilities	(6.3)%	\$ (2,298,964)
Net Assets Applicable to Common Shares	100.0%	\$ 36,193,908

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The percentage shown for each investment category in the Portfolio of Investments is based on net assets applicable to common shares.

AGC - Assured Guaranty Corp.

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.

NPFG - National Public Finance Guaranty Corp.

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, 2013, 19.1% 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 or financial guaranty assurance agency ranged from 1.2% to 12.7% of total investments.

(1) Security represents the municipal bond held by a trust that issues residual interest bonds.

(2) Security (or a portion thereof) has been pledged as collateral for residual interest bond transactions. The aggregate value of such collateral is \$535,399.

A summary of open financial instruments at August 31, 2013 is as follows:

Futures Contracts

Expiration Month/Year	Contracts	Position	Aggregate Cost	Value	Net Unrealized Depreciation
12/13	34 U.S. Long Treasury Bond	Short	\$ (4,480,235)	\$ (4,484,813)	\$ (4,578)

At August 31, 2013, the Trust had sufficient cash and/or securities to cover commitments under these contracts.

The Trust is subject to interest rate risk in the normal course of pursuing its investment objective. Because the Trust holds fixed-rate bonds, the value of these bonds may decrease if interest rates rise. The Trust purchases and sells U.S. Treasury futures contracts to hedge against changes in interest rates.

At August 31, 2013, the aggregate fair value of open derivative instruments (not considered to be hedging instruments for accounting disclosure purposes) in a liability position and whose primary underlying risk exposure is interest rate risk was \$4,578.

The cost and unrealized appreciation (depreciation) of investments of the Trust at August 31, 2013, as determined on a federal income tax basis, were as follows:

Aggregate cost	\$ 55,311,512
Gross unrealized appreciation	\$ 1,330,614
Gross unrealized depreciation	(1,483,985)
Net unrealized depreciation	\$ (153,371)

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Under generally accepted accounting principles for fair value measurements, a three-tier hierarchy to prioritize the assumptions, referred to as inputs, is used in valuation techniques to measure fair value. The three-tier hierarchy of inputs is summarized in the three broad levels listed below.

Level 1 quoted prices in active markets for identical investments

Level 2 other significant observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)

Level 3 significant unobservable inputs (including a fund's own assumptions in determining the fair value of investments)

In cases where the inputs used to measure fair value fall in different levels of the fair value hierarchy, the level disclosed is determined based on the lowest level input that is significant to the fair value measurement in its entirety. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

At August 31, 2013, the hierarchy of inputs used in valuing the Trust's investments and open derivative instruments, which are carried at value, were as follows:

Asset Description	Level 1	Level 2	Level 3	Total
Tax-Exempt Investments	\$	\$ 58,543,141	\$	\$ 58,543,141
Total Investments	\$	\$ 58,543,141	\$	\$ 58,543,141
Liability Description				
Futures Contracts	\$ (4,578)	\$	\$	\$ (4,578)
Total	\$ (4,578)	\$	\$	\$ (4,578)

The Trust held no investments or other financial instruments as of November 30, 2012 whose fair value was determined using Level 3 inputs. At August 31, 2013, there were no investments transferred between Level 1 and Level 2 during the fiscal year to date then ended.

For information on the Trust's policy regarding the valuation of investments and other significant accounting policies, please refer to the Trust's most recent financial statements included in its semiannual or annual report to shareholders.

Item 2. Controls and Procedures

(a) It is the conclusion of the registrant's principal executive officer and principal financial officer that the effectiveness of the registrant's current disclosure controls and procedures (such disclosure controls and procedures having been evaluated within 90 days of the date of this filing) provide reasonable assurance that the information required to be disclosed by the registrant on this Form N-Q has been recorded, processed, summarized and reported within the time period specified in the Commission's rules and forms and that the information required to be disclosed by the registrant on this Form N-Q has been accumulated and communicated to the registrant's principal executive officer and principal financial officer in order to allow timely decisions regarding required disclosure.

(b) There have been no changes in the registrant's internal controls over financial reporting during the fiscal quarter for which the report is being filed that have materially affected, or are reasonably likely to materially affect the registrant's internal control over financial reporting.

Signatures

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

Eaton Vance Massachusetts Municipal Income Trust

By: /s/ Thomas M. Metzold
Thomas M. Metzold
President

Date: October 25, 2013

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/ Thomas M. Metzold
Thomas M. Metzold
President

Date: October 25, 2013

By: /s/ James F. Kirchner
James F. Kirchner
Treasurer

Date: October 25, 2013