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EATON VANCE MASSACHUSETTS MUNICIPAL INCOME TRUST

Form N-Q

October 29, 2009

Table of Contents

**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, 2009**

Date of Reporting Period

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**TABLE OF CONTENTS**

Item 1. Schedule of Investments

Item 2. Controls and Procedures

Signatures

EX-99.CERT Section 302 Certification

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**Table of Contents**

**Item 1. Schedule of Investments**

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**Table of Contents****Eaton Vance Massachusetts Municipal Income Trust****as of August 31, 2009****PORTFOLIO OF INVESTMENTS (Unaudited)****Tax-Exempt Investments 161.6%****Principal****Amount****(000 s****omitted)****Education****Security****Value****35.7%**

\$	2,440	Massachusetts Development Finance Agency, (Boston University), 5.45%, 5/15/59	\$	2,445,710
	600	Massachusetts Development Finance Agency, (Middlesex School), 5.00%, 9/1/33		600,648
	1,000	Massachusetts Development Finance Agency, (New England Conservatory of Music), 5.25%, 7/1/38		856,410
	1,500	Massachusetts Development Finance Agency, (Wheeler School), 6.50%, 12/1/29		1,502,295
	1,500	Massachusetts Health and Educational Facilities Authority, (Berklee College of Music), 5.00%, 10/1/32		1,519,845
	1,250	Massachusetts Health and Educational Facilities Authority, (Boston College), 5.50%, 6/1/35		1,414,550
	1,500	Massachusetts Health and Educational Facilities Authority, (Harvard University), 5.00%, 10/1/38 <sup>(1)</sup>		1,564,755
	1,740	Massachusetts Health and Educational Facilities Authority, (Massachusetts Institute of Technology), 5.00%, 7/1/38		1,813,132
	1,000	Massachusetts Health and Educational Facilities Authority, (Tufts University), 5.375%, 8/15/38		1,066,170
			<b>\$</b>	<b>12,783,515</b>

**Electric Utilities 8.9%**

\$	1,000	Massachusetts Development Finance Agency, (Devens Electric System), 6.00%, 12/1/30	\$	1,018,810
	1,870	Massachusetts Development Finance Agency, (Dominion Energy Brayton Point), (AMT), 5.00%, 2/1/36		1,590,809
	570	Puerto Rico Electric Power Authority, 5.00%, 7/1/25		566,876
			<b>\$</b>	<b>3,176,495</b>

**Escrowed/Prerefunded 4.8%**

\$	400	Massachusetts Development Finance Agency, (Western New England College), Prerefunded to 12/1/12, 6.125%, 12/1/32	\$	465,536
	235	Massachusetts Health and Educational Facilities Authority, (Healthcare System-Covenant Health), Prerefunded to 1/1/12, 6.00%, 7/1/31		264,004
	940	Massachusetts Health and Educational Facilities Authority, (Winchester Hospital), Prerefunded to 7/1/10, 6.75%, 7/1/30		997,368
			<b>\$</b>	<b>1,726,908</b>

**General Obligations 2.2%**

\$	750	Newton, 5.00%, 4/1/36	\$	789,645
			\$	<b>789,645</b>

**Health Care-Miscellaneous 1.7%**

\$	700	Massachusetts Health and Educational Facilities Authority, (Learning Center for Deaf Children), 6.125%, 7/1/29	\$	533,393
	100	Puerto Rico Infrastructure Financing Authority, (Mepsi Campus Project), 6.50%, 10/1/37		83,361
			\$	<b>616,754</b>

**Hospital 21.7%**

\$	1,000	Massachusetts Development Finance Agency, (Biomedical Research Corp.), 6.25%, 8/1/20	\$	1,023,920
	1,000	Massachusetts Health and Educational Facilities Authority, (Baystate Medical Center, Inc.), 5.75%, 7/1/36		1,014,160
	400	Massachusetts Health and Educational Facilities Authority, (Berkshire Health System), 6.25%, 10/1/31		382,476
	105	Massachusetts Health and Educational Facilities Authority, (Central New England Health Systems), 6.30%, 8/1/18		105,020
	1,135	Massachusetts Health and Educational Facilities Authority, (Dana-Farber Cancer Institute), 5.00%, 12/1/37		1,119,689
	865	Massachusetts Health and Educational Facilities Authority, (Healthcare System-Covenant Health), 6.00%, 7/1/31		875,752
	755	Massachusetts Health and Educational Facilities Authority, (Jordan Hospital), 6.75%, 10/1/33		597,718

**Table of Contents****Principal  
Amount  
(000 s  
omitted)**

	<b>Security</b>	<b>Value</b>
\$ 2,000	Massachusetts Health and Educational Facilities Authority, (Partners Healthcare System), 5.00%, 7/1/32 <sup>(1)</sup>	\$ 2,012,750
675	Massachusetts Health and Educational Facilities Authority, (South Shore Hospital), 5.75%, 7/1/29	649,465
		<b>\$ 7,780,950</b>

**Housing 14.3%**

\$ 2,100	Massachusetts Housing Finance Agency, (AMT), 4.75%, 12/1/48	\$ 1,794,156
1,000	Massachusetts Housing Finance Agency, (AMT), 4.85%, 6/1/40	889,160
650	Massachusetts Housing Finance Agency, (AMT), 5.00%, 12/1/28	610,915
2,000	Massachusetts Housing Finance Agency, (AMT), 5.10%, 12/1/37	1,832,320
		<b>\$ 5,126,551</b>

**Industrial Development Revenue 1.9%**

\$ 695	Massachusetts Industrial Finance Agency, (American Hingham Water Co.), (AMT), 6.60%, 12/1/15	\$ 695,132
		<b>\$ 695,132</b>

**Insured-Education 11.7%**

\$ 1,000	Massachusetts College Building Authority, (XLCA), 5.50%, 5/1/39	\$ 1,075,200
1,365	Massachusetts Development Finance Agency, (College of the Holy Cross), (AMBAC), 5.25%, 9/1/32 <sup>(1)</sup>	1,519,136
1600	Massachusetts Development Finance Agency, (Franklin W. Olin College), (XLCA), 5.25%, 7/1/33	1,603,728
		<b>\$ 4,198,064</b>

**Insured-General Obligations 9.1%**

\$ 1,000	Massachusetts, (AMBAC), 5.50%, 8/1/30	\$ 1,175,110
2,255	Milford, (FSA), 4.25%, 12/15/46	2,079,741
		<b>\$ 3,254,851</b>

**Insured-Other Revenue 3.6%**

\$ 1,225	Massachusetts Development Finance Agency, (WGBH Educational Foundation), (AMBAC), 5.75%, 1/1/42	\$ 1,288,186
		<b>\$ 1,288,186</b>

**Insured-Special Tax Revenue 14.3%**

\$ 1,450	Martha s Vineyard Land Bank, (AMBAC), 5.00%, 5/1/32	\$ 1,463,427
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1,250	Massachusetts School Building Authority, Dedicated Sales Tax Revenue, (AMBAC), 5.00%, 8/15/37	1,284,650
1,000	Massachusetts, Special Obligation, Dedicated Tax Revenue, (FGIC), (NPF), 5.50%, 1/1/29	1,075,650
8,945	Puerto Rico Sales Tax Financing Corp., (AMBAC), 0.00%, 8/1/54	491,707
2,530	Puerto Rico Sales Tax Financing Corp., (NPF), 0.00%, 8/1/44	288,319
3,015	Puerto Rico Sales Tax Financing Corp., (NPF), 0.00%, 8/1/45	321,851
1,905	Puerto Rico Sales Tax Financing Corp., (NPF), 0.00%, 8/1/46	189,852
		<b>\$ 5,115,456</b>

**Insured-Student Loan 6.2%**

\$ 600	Massachusetts Educational Financing Authority, (AGC), (AMT), 6.35%, 1/1/30	\$ 614,736
1,985	Massachusetts Educational Financing Authority, (AMBAC), (AMT), 4.70%, 1/1/33	1,614,678
		<b>\$ 2,229,414</b>

**Insured-Transportation 5.5%**

\$ 410	Massachusetts Port Authority, (Bosfuel Project), (FGIC), (NPF), (AMT), 5.00%, 7/1/32	\$ 371,628
1,820	Massachusetts Port Authority, (Bosfuel Project), (FGIC), (NPF), (AMT), 5.00%, 7/1/38	1,596,413
		<b>\$ 1,968,041</b>

**Nursing Home 2.7%**

\$ 500	Boston Industrial Development Authority, (Alzheimer s Center), (FHA), 6.00%, 2/1/37	\$ 500,215
565	Massachusetts Health and Educational Facilities Authority, (Christopher House), 6.875%, 1/1/29	484,431
		<b>\$ 984,646</b>

**Senior Living/Life Care 6.0%**

\$ 250	Massachusetts Development Finance Agency, (Berkshire Retirement), 5.15%, 7/1/31	\$ 190,288
1,500	Massachusetts Development Finance Agency, (Berkshire Retirement), 5.625%, 7/1/29	1,243,455
140	Massachusetts Development Finance Agency, (First Mortgage VOA Concord), 5.125%, 11/1/27	100,664

**Table of Contents**

<b>Principal Amount (000 s omitted)</b>	<b>Security</b>	<b>Value</b>
\$ 475	Massachusetts Development Finance Agency, (First Mortgage VOA Concord), 5.20%, 11/1/41	\$ 308,465
500	Massachusetts Development Finance Agency, (Linden Ponds, Inc.), 5.75%, 11/15/42	310,775
		<b>\$ 2,153,647</b>
<b>Special Tax Revenue 6.1%</b>		
\$ 1,665	Massachusetts Bay Transportation Authority, Sales Tax Revenue, 0.00%, 7/1/31	\$ 511,438
5,195	Massachusetts Bay Transportation Authority, Sales Tax Revenue, 0.00%, 7/1/34	1,322,491
335	Virgin Islands Public Finance Authority, 6.75%, 10/1/37	341,992
		<b>\$ 2,175,921</b>
<b>Water and Sewer 5.2%</b>		
\$ 215	Massachusetts Water Pollution Abatement Trust, 5.375%, 8/1/27	\$ 217,406
2,000	Massachusetts Water Resources Authority, 4.00%, 8/1/46	1,639,180
		<b>\$ 1,856,586</b>
<b>Total Tax-Exempt Investments 161.6%</b>		
<b>(identified cost \$60,509,843)</b>		<b>\$ 57,920,762</b>
<b>Auction Preferred Shares Plus Cumulative Unpaid Dividends 55.9%</b>		
		<b>\$ 20,050,000</b>
<b>Other Assets, Less Liabilities (117.5)%</b>		
		<b>\$ (42,118,983)</b>
<b>Net Assets Applicable to Common Shares 100.0%</b>		
		<b>\$ 35,851,779</b>

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.

FGIC - Financial Guaranty Insurance Company

FHA - Federal Housing Administration

FSA - Financial Security Assurance, Inc.

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, 2009, 31.2% 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 1.1% to 15.3% of total investments.

(1) Security represents the underlying municipal bond of an inverse floater.

**Table of Contents**

A summary of financial instruments outstanding at August 31, 2009 is as follows:

**Interest Rate Swaps**

Counterparty	Notional Amount	Annual	Floating	Effective Date/ Termination Date	Net Unrealized Depreciation
		Fixed Rate Paid by Trust	Rate Paid to Trust		
JPMorgan Chase Co.	\$ 787,500	4.743%	3-month USD- LIBOR-BBA	September 14, 2009 / September 14, 2039	\$ (89,123)
Merrill Lynch Capital Services, Inc.	1,250,000	4.517	3-month USD- LIBOR-BBA	December 1, 2009 / December 1, 2039	(81,180)
					<b>\$ (170,303)</b>

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, 2009, 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 objectives. Because the Trust holds fixed rate bonds, the value of these bonds may decrease if interest rates rise. To hedge against this risk, the Trust may enter into interest rate swap contracts.

At August 31, 2009, the aggregate fair value of derivative instruments (not accounted for as hedging instruments under Financial Accounting Standards Board (FASB) Statement of Financial Accounting Standards No. 133) in a liability position and whose primary underlying risk exposure is interest rate risk was \$170,303.

The cost and unrealized appreciation (depreciation) of investments of the Trust at August 31, 2009, as determined on a federal income tax basis, were as follows:

<b>Aggregate cost</b>	<b>\$ 56,490,576</b>
Gross unrealized appreciation	\$ 1,170,188
Gross unrealized depreciation	(3,620,002)
<b>Net unrealized depreciation</b>	<b>\$ (2,449,814)</b>

FASB Statement of Financial Accounting Standards No. 157, Fair Value Measurements, established a three-tier hierarchy to prioritize the assumptions, referred to as inputs, 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)

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

**Table of Contents**

At August 31, 2009, the inputs used in valuing the Trust's investments, which are carried at value, were as follows:

<b>Asset Description</b>	<b>Quoted Prices in Active Markets for Identical Assets  (Level 1)</b>	<b>Significant Other Observable Inputs  (Level 2)</b>	<b>Significant Unobservable Inputs  (Level 3)</b>	<b>Total</b>
Tax-Exempt Investments	\$	\$ 57,920,762	\$	\$ 57,920,762
<b>Total Investments</b>	<b>\$</b>	<b>\$ 57,920,762</b>	<b>\$</b>	<b>\$ 57,920,762</b>
<b>Liability Description</b>				
Interest Rate Swaps	\$	\$ (170,303)	\$	\$ (170,303)
<b>Total</b>	<b>\$</b>	<b>\$ (170,303)</b>	<b>\$</b>	<b>\$ (170,303)</b>

The Trust held no investments or other financial instruments as of November 30, 2008 whose fair value was determined using Level 3 inputs.

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.

**Table of Contents**

**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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**Table of Contents**

**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

Date: October 26, 2009

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

Date: October 26, 2009

By: /s/ Barbara E. Campbell

Barbara E. Campbell  
Treasurer

Date: October 26, 2009