

NUVEEN SELECT TAX FREE INCOME PORTFOLIO 3
Form N-Q
August 28, 2015

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED MANAGEMENT INVESTMENT
COMPANY

Investment Company Act file number 811-06693

Nuveen Select Tax-Free Income Portfolio 3
(Exact name of registrant as specified in charter)

Nuveen Investments
333 West Wacker Drive, Chicago, Illinois 60606
(Address of principal executive offices) (Zip code)

Kevin J. McCarthy
Vice President and Secretary
333 West Wacker Drive, Chicago, Illinois 60606
(Name and address of agent for service)

Registrant's telephone number, including area code: 312-917-7700

Date of fiscal year end: 3/31

Date of reporting period: 6/30/15

Form N-Q is to be used by management investment companies, other than small business investment companies registered on Form N-5 (§§ 239.24 and 274.5 of this chapter), to file reports with the Commission, not later than 60 days after the close of the first and third fiscal quarters, pursuant to rule 30b1-5 under the Investment Company Act of 1940 (17 CFR 270.30b1-5). The Commission may use the information provided on Form N-Q in its regulatory, disclosure review, inspection, and policymaking roles.

A registrant is required to disclose the information specified by Form N-Q, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-Q unless the Form displays a currently valid Office of Management and Budget ("OMB") control number. Please direct comments concerning the accuracy of the information collection burden estimate and any suggestions for reducing the burden to the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW, Washington, DC 20549-0609. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. § 3507.

Item 1. Schedule of Investments

Portfolio of Investments

Nuveen Select Tax-Free Income Portfolio 3
(NXR)
June 30, 2015 (Unaudited)

Principal Amount (000)	Description (1)	Optional Call Provisions (2)	Ratings (3)	Value
	LONG-TERM INVESTMENTS – 97.0%			
	MUNICIPAL BONDS – 97.0%			
	Alaska – 1.2%			
\$ 2,675	Northern Tobacco Securitization Corporation, Alaska, Tobacco Settlement Asset-Backed Bonds, Series 2006A, 5.000%, 6/01/32	12/16 at 100.00	B	\$ 2,287,285
	California – 19.9%			
12,500	Anaheim Public Financing Authority, California, Lease Revenue Bonds, Public Improvement Project, Series 1997C, 0.000%, 9/01/35 – AGM Insured	No Opt. Call	AA	5,160,250
1,000	California County Tobacco Securitization Agency, Tobacco Settlement Asset-Backed Bonds, Los Angeles County Securitization Corporation, Series 2006A, 5.600%, 6/01/36	12/18 at 100.00	B+	918,100
1,125	California County Tobacco Securitization Agency, Tobacco Settlement Asset-Backed Bonds, Sonoma County Tobacco Securitization Corporation, Series 2005, 5.000%, 6/01/26	9/15 at 100.00	B–	1,040,524
2,595	California Health Facilities Financing Authority, Revenue Bonds, Kaiser Permanente System, Series 2006, 5.000%, 4/01/37	4/16 at 100.00	A+	2,649,261
890	California Statewide Community Development Authority, Revenue Bonds, Methodist Hospital Project, Series 2009, 6.750%, 2/01/38	8/19 at 100.00	Aa2	1,054,258
260	California Statewide Financing Authority, Tobacco Settlement Asset-Backed Bonds, Pooled	9/15 at 100.00	BBB	259,971

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2,275	Tobacco Securitization Program, Series 2002A, 5.625%, 5/01/29 Folsom Cordova Unified School District, Sacramento County, California, General Obligation	No Opt. Call	AA-	1,332,900
3,320	Bonds, School Facilities Improvement District 4, Series 2007A, 0.000%, 10/01/28 – NPFG Insured Golden State Tobacco Securitization Corporation, California, Enhanced Tobacco Settlement	No Opt. Call	A1	2,079,283
700	Asset-Backed Revenue Bonds, Series 2005A, 0.000%, 6/01/28 – AMBAC Insured Golden State Tobacco Securitization Corporation, California, Tobacco Settlement Asset-Backed Bonds, Series 2007A-1:	6/17 at 100.00	B	667,863
2,090	4.500%, 6/01/27	6/17 at 100.00	B	1,733,801
4,055	5.000%, 6/01/33 Kern Community College District, California, General Obligation Bonds, Series 2003A, 0.000%, 3/01/28 – FGIC Insured	No Opt. Call	Aa2	2,537,335
1,160	Mount San Antonio Community College District, Los Angeles County, California, General Obligation Bonds, Election of 2008, Series 2013A, 0.000%, 8/01/43	8/35 at 100.00	AA	801,386
11,985	Norwalk La Mirada Unified School District, Los Angeles County, California, General Obligation Bonds, Election of 2002, Series 2007C, 0.000%, 8/01/32 – AGM Insured	No Opt. Call	AA	5,935,811
3,000	Palomar Pomerado Health, California, General Obligation Bonds, Election of 2004, Series 2007A, 0.000%, 8/01/25 – NPFG Insured	No Opt. Call	AA-	2,057,850
8,040	Placentia-Yorba Linda Unified School District, Orange County, California, Certificates of Participation, Series 2006, 0.000%, 10/01/34 – FGIC Insured	No Opt. Call	AA-	3,384,438
1,500	Placer Union High School District, Placer County, California, General Obligation Bonds, Series 2004C, 0.000%, 8/01/32 – AGM Insured	No Opt. Call	AA	719,655
8,000	Poway Unified School District, San Diego County, California, General Obligation Bonds, School Facilities Improvement District 2007-1, Series 2009A, 0.000%, 8/01/32	No Opt. Call	AA-	4,015,600

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3,940	Rancho Mirage Redevelopment Agency, California, Tax Allocation Bonds, Combined Whitewater and 1984 Project Areas, Series 2003A, 0.000%, 4/01/35 – NPFG Insured	No Opt. Call	AA–	1,554,251
1,030	Riverside Public Financing Authority, California, Tax Allocation Bonds, University Corridor, Series 2007C, 5.000%, 8/01/37 – NPFG Insured	8/17 at 100.00	AA–	1,046,253
69,465	Total California Colorado – 5.3%			38,948,790
1,540	Arkansas River Power Authority, Colorado, Power Revenue Bonds, Series 2006, 5.250%, 10/01/40 – SYNCORA GTY Insured	10/16 at 100.00	BBB–	1,574,003
2,000	Colorado Health Facilities Authority, Colorado, Revenue Bonds, Sisters of Charity of Leavenworth Health Services Corporation, Series 2010A, 5.000%, 1/01/40	1/20 at 100.00	AA–	2,161,180
1,000	Colorado Health Facilities Authority, Colorado, Revenue Bonds, Valley View Hospital Association, Series 2007, 5.250%, 5/15/42	5/17 at 100.00	A–	1,051,540
1,935	Denver City and County, Colorado, Airport System Revenue Bonds, Subordinate Lien Series 2013B, 5.000%, 11/15/43	11/23 at 100.00	A	2,119,038
1,295	E-470 Public Highway Authority, Colorado, Senior Revenue Bonds, Series 2000B, 0.000%, 9/01/32 – NPFG Insured	No Opt. Call	AA–	638,111
5,520	E-470 Public Highway Authority, Colorado, Toll Revenue Bonds, Series 2004B, 0.000%, 9/01/28 – NPFG Insured	9/20 at 63.98	AA–	2,867,143
13,290	Total Colorado Connecticut – 2.2%			10,411,015
1,250	Connecticut Health and Educational Facilities Authority, Revenue Bonds, Yale University, Series 2007Z-1, 5.000%, 7/01/42	7/16 at 100.00	AAA	1,295,037
3,000	University of Connecticut, General Obligation Bonds, Refunding Series 2014A, 4.000%, 2/15/16	No Opt. Call	AA	3,070,890
4,250	Total Connecticut District of Columbia – 0.0%			4,365,927
80	District of Columbia Tobacco Settlement Corporation, Tobacco Settlement Asset-Backed Bonds, Series 2001, 6.250%, 5/15/24 Florida – 1.9%	11/15 at 100.00	A1	79,994

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1,000	Hillsborough County Industrial Development Authority, Florida, Hospital Revenue Bonds, Tampa General Hospital, Series 2006, 5.250%, 10/01/41	10/16 at 100.00	A3	1,031,790
2,500	JEA St. Johns River Power Park System, Florida, Revenue Bonds, 2012-Issue 2 Series 25, 5.000%, 10/01/16	No Opt. Call	Aa2	2,641,250
3,500	Total Florida Georgia – 0.8%			3,673,040
1,500	Private Colleges and Universities Authority, Georgia, Revenue Bonds, Emory University, Series 2005A, 5.000%, 9/01/18 (WI/DD, Settling 7/06/15) Illinois – 13.5%	No Opt. Call	AA+	1,511,010
3,500	Chicago Board of Education, Illinois, General Obligation Bonds, Series 1999A, 0.000%, 12/01/28 – FGIC Insured	No Opt. Call	AA–	1,704,290
2,000	Chicago, Illinois, General Obligation Bonds, Project & Refunding Series 2006A, 4.625%, 1/01/31 – AGM Insured	1/16 at 100.00	AA	2,001,220
1,050	Illinois Finance Authority, Revenue Bonds, Loyola University of Chicago, Tender Option Bond Trust 1137, 9.376%, 7/01/46 (IF)	7/17 at 100.00	AA+	1,179,706
260	Illinois Finance Authority, Revenue Bonds, Rehabilitation Institute of Chicago, Series 2013A, 6.000%, 7/01/43	7/23 at 100.00	A–	302,955
1,600	Illinois Finance Authority, Revenue Bonds, Resurrection Health Care System, Series 1999B, 5.000%, 5/15/24 – AGM Insured	5/18 at 100.00	AA	1,724,224
2,185	Illinois Finance Authority, Revenue Bonds, YMCA of Southwest Illinois, Series 2005, 5.000%, 9/01/31 – RAAI Insured	9/15 at 100.00	AA	2,132,778
1,500	Illinois Finance Authority, Revenue Refunding Bonds, Silver Cross Hospital and Medical Centers, Series 2008A, 5.500%, 8/15/30	8/18 at 100.00	BBB+	1,586,415
750	Illinois Finance Authority, Student Housing Revenue Bonds, Educational Advancement Fund Inc., University Center Project, Series 2006B, 5.000%, 5/01/25	11/16 at 100.00	BBB+	770,903
1,500		No Opt. Call	N/R (4)	1,791,450

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	Illinois Health Facilities Authority, Revenue Bonds, Evangelical Hospitals Corporation, Series 1992C, 6.250%, 4/15/22 (ETM)			
1,560	Illinois Housing Development Authority, Homeowner Mortgage Revenue Bonds, Series 2006C2, 5.050%, 8/01/27 (Alternative Minimum Tax)	2/16 at 100.00	AA	1,571,279
2,190	Illinois State, General Obligation Bonds, Refunding Series 2012, 5.000%, 8/01/23	No Opt. Call	A-	2,366,689
1,000	Kankakee & Will Counties Community Unit School District 5, Illinois, General Obligation Bonds, Series 2006, 0.000%, 5/01/23 – AGM Insured	No Opt. Call	Aa3	755,810
	Metropolitan Pier and Exposition Authority, Illinois, Revenue Bonds, McCormick Place Expansion Project, Series 2002A:			
2,500	0.000%, 12/15/30 – NPFPG Insured	No Opt. Call	AAA	1,267,050
4,775	0.000%, 12/15/31 – NPFPG Insured	No Opt. Call	AAA	2,290,042
5,000	0.000%, 12/15/36 – NPFPG Insured	No Opt. Call	AAA	1,771,300
2,000	0.000%, 6/15/37 – NPFPG Insured	No Opt. Call	AAA	681,280
2,000	Springfield, Illinois, Electric Revenue Bonds, Senior Lien Series 2007, 5.000%, 3/01/22 – NPFPG Insured	3/17 at 100.00	AA-	2,127,620
	University of Illinois, Health Services Facilities System Revenue Bonds, Series 2013, 6.000%, 10/01/42	10/23 at 100.00	A	347,752
310				
35,680	Total Illinois Indiana – 0.7%			26,372,763
	Indiana Finance Authority, Tax-Exempt Private Activity Revenue Bonds, I-69 Section 5 Project, Series 2014, 5.250%, 9/01/34 (Alternative Minimum Tax)	9/24 at 100.00	BBB	294,813
270				
435	Indiana Health Facility Financing Authority, Hospital Revenue Refunding Bonds, Columbus Regional Hospital, Series 1993, 7.000%, 8/15/15 – AGM Insured	No Opt. Call	AA	437,784
	Zionsville Community Schools Building Corporation, Indiana, First Mortgage Bonds, Series 2005Z, 0.000%, 7/15/28 – AGM Insured	No Opt. Call	AA	641,350
1,000				
1,705	Total Indiana Iowa – 2.6%			1,373,947
	Iowa Finance Authority, Health Facility Revenue Bonds, Care Initiatives Project, Series 2006A, 5.000%, 7/01/20	7/16 at 100.00	BB+	2,803,633
2,745				

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1,330	Iowa Finance Authority, Iowa, Midwestern Disaster Area Revenue Bonds, Iowa Fertilizer Company	No Opt. Call	BB-	1,425,348
	Project, Series 2013, 5.000%, 12/01/19			
950	Iowa Tobacco Settlement Authority, Tobacco Asset-Backed Revenue Bonds, Series 2005B, 5.600%, 6/01/34	6/17 at 100.00	B+	885,970
5,025	Total Iowa			5,114,951
	Kansas – 1.1%			
	Lawrence, Kansas, Hospital Revenue Bonds, Lawrence Memorial Hospital, Refunding Series 2006:			
1,425	5.125%, 7/01/26	7/16 at 100.00	A1	1,467,408
700	4.875%, 7/01/36	7/16 at 100.00	A1	712,488
2,125	Total Kansas			2,179,896
	Louisiana – 1.1%			
	Louisiana State, Gasoline and Fuels Tax Revenue Bonds, Series 2006A, 5.000%, 5/01/41	5/16 at 100.00	Aa1 (4)	2,077,420
2,000	(Pre-refunded 5/01/16) – AGM Insured			
	Maryland – 1.6%			
	Baltimore, Maryland, Senior Lien Convention Center Hotel Revenue Bonds, Series 2006A, 5.250%, 9/01/23 – SYNCORA GTY Insured	9/16 at 100.00	Ba1	564,350
550	Montgomery County, Maryland, General Obligation Bonds, Consolidated Public Improvement Series	No Opt. Call	AAA	2,540,825
2,500	2012A, 5.000%, 11/01/15			
3,050	Total Maryland			3,105,175
	Michigan – 2.5%			
	Detroit Water and Sewerage Department, Michigan, Sewage Disposal System Revenue Bonds, Refunding Senior Lien Series 2012A, 5.250%, 7/01/39	7/22 at 100.00	BBB+	376,307
355	Detroit, Michigan, Sewer Disposal System Revenue Bonds, Second Lien, Series 2006B, 4.625%, 7/01/34 – FGIC Insured	7/16 at 100.00	AA-	3,635,182
3,635	Detroit, Michigan, Water Supply System Second Lien Revenue Refunding Bonds, Series 2006C, 5.000%, 7/01/33 – AGM Insured	No Opt. Call	AA	653,254
640	Royal Oak Hospital Finance Authority, Michigan, Hospital Revenue Bonds, William Beaumont Hospital, Refunding Series 2009V, 8.250%, 9/01/39 (Pre-refunded 9/01/18)	9/18 at 100.00	Aaa	305,735
250	Total Michigan			4,970,478
4,880	Minnesota – 4.9%			

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5,950	Minnesota Municipal Power Agency, Electric Revenue Bonds, Series 2005, 5.250%, 10/01/21 (Pre-refunded 10/01/15)	10/15 at 100.00	A2 (4)	6,024,970
3,500	St. Paul Housing and Redevelopment Authority, Minnesota, Hospital Revenue Bonds, HealthEast Inc., Series 2005, 6.000%, 11/15/30 (Pre-refunded 11/15/15)	11/15 at 100.00	BBB- (4)	3,575,355
9,450	Total Minnesota Missouri – 0.2%			9,600,325
270	Bi-State Development Agency of the Missouri-Illinois Metropolitan District, Mass Transit Sales	10/18 at 100.00	AA+	299,325
1,440	Tax Appropriation Bonds, Refunding Combined Lien Series 2013A, 5.000%, 10/01/28 Montana – 0.8% Montana Facilities Finance Authority, Revenue Bonds, Sisters of Charity of Leavenworth Health Services Corporation, Camposite Deal Series 2010A, 4.750%, 1/01/40 Nevada – 1.8%	1/20 at 100.00	AA-	1,520,525
1,000	Clark County, Nevada, Passenger Facility Charge Revenue Bonds, Las Vegas-McCarran International Airport, Series 2010A, 5.250%, 7/01/42	1/20 at 100.00	A+	1,102,440
2,500	North Las Vegas, Nevada, General Obligation Bonds, Series 2006, 5.000%, 5/01/36 – NPMFG Insured	5/16 at 100.00	AA-	2,432,025
3,500	Total Nevada New Jersey – 2.2%			3,534,465
2,000	New Jersey Economic Development Authority, Revenue Bonds, Motor Vehicle Surcharge, Series 2004A, 5.000%, 7/01/34 – NPMFG Insured	9/15 at 100.00	AA-	2,028,040
4,570	New Jersey Transportation Trust Fund Authority, Transportation System Bonds, Series 2006C, 0.000%, 12/15/28 – AMBAC Insured	No Opt. Call	A-	2,331,111
6,570	Total New Jersey New Mexico – 1.9%			4,359,151
2,700	Albuquerque, New Mexico, General Obligation Bonds, General Purpose Series 2012A, 4.000%, 7/01/15	No Opt. Call	AAA	2,700,297
1,000	New Mexico Mortgage Finance Authority, Multifamily Housing Revenue Bonds, St Anthony, Series	9/17 at 100.00	N/R	1,008,790

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	2007A, 5.250%, 9/01/42 (Alternative Minimum Tax)			
3,700	Total New Mexico			3,709,087
	New York – 2.8%			
	Dormitory Authority of the State of New York, FHA Insured Mortgage Hospital			
1,025	Revenue Bonds,	8/16 at 100.00	N/R	1,033,979
	Kaleida Health, Series 2006, 4.700%, 2/15/35			
	Metropolitan Transportation Authority, New York, Transportation Revenue Bonds,	11/22 at		
1,250	Refunding	100.00	AA–	1,444,450
	Series 2012F, 5.000%, 11/15/26			
	New York City Transitional Finance Authority, New York, Future Tax Secured			
840	Bonds, Fiscal	5/17 at 100.00	AAA	896,977
	Series 2007B, 4.750%, 11/01/27			
	New York City Transitional Finance Authority, New York, Future Tax Secured			
1,660	Bonds, Fiscal	5/17 at 100.00	N/R (4)	1,783,653
	Series 2007B, 4.750%, 11/01/27 (Pre-refunded 5/01/17)			
	Port Authority of New York and New Jersey, Special Project Bonds, JFK International Air	12/20 at		
265	Terminal LLC Project, Eighth Series 2010,	100.00	BBB	309,099
	6.000%, 12/01/42			
5,040	Total New York			5,468,158
	Ohio – 3.8%			
	Buckeye Tobacco Settlement Financing Authority, Ohio, Tobacco Settlement			
	Asset-Backed Revenue			
	Bonds, Senior Lien, Series 2007A-2:			
1,345	5.375%, 6/01/24	6/17 at 100.00	B–	1,165,389
1,465	6.000%, 6/01/42	6/17 at 100.00	B	1,183,207
435	5.875%, 6/01/47	6/17 at 100.00	B	341,110
	Buckeye Tobacco Settlement Financing Authority, Ohio, Tobacco Settlement			
3,720	Asset-Backed Revenue	6/22 at 100.00	B–	3,178,963
	Bonds, Senior Lien, Series 2007A-3, 6.250%, 6/01/37			
	Ohio Turnpike Commission, Turnpike			
	Revenue Bonds, Infrastructure Project, Junior			
1,475	Lien Series	2/23 at 100.00	A+	1,609,933
	2013A-1, 5.000%, 2/15/48			
8,440	Total Ohio			7,478,602
	Pennsylvania – 1.9%			
	Dauphin County Industrial Development Authority, Pennsylvania, Water Development			
2,435	Revenue	No Opt. Call	A–	2,658,825
	Refunding Bonds, Dauphin Consolidated Water Supply Company, Series 1992B,			
	6.700%, 6/01/17			

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1,000	Pennsylvania Turnpike Commission, Motor License Fund-Enhanced Subordinate Special Revenue	12/20 at 100.00	AA-	1,047,200
3,435	Bonds, Series 2010B, 0.000%, 12/01/30 Total Pennsylvania Puerto Rico – 1.9%			3,706,025
945	Puerto Rico Highway and Transportation Authority, Highway Revenue Bonds, Series 2007N, 5.250%, 7/01/31 – AMBAC Insured	No Opt. Call	CCC-	869,277
1,170	Puerto Rico Sales Tax Financing Corporation, Sales Tax Revenue Bonds, Series 2007A: 0.000%, 8/01/40 – NPFPG Insured	No Opt. Call	AA-	214,660
12,000	0.000%, 8/01/41 – NPFPG Insured	No Opt. Call	AA-	2,057,760
9,015	0.000%, 8/01/54 – AMBAC Insured	No Opt. Call	CCC-	562,536
23,130	Total Puerto Rico Rhode Island – 0.6%			3,704,233
1,150	Rhode Island Economic Development Corporation, Airport Revenue Bonds, Refunding Series 2005A, 4.625%, 7/01/26 – NPFPG Insured (Alternative Minimum Tax) South Carolina – 0.5%	7/15 at 100.00	AA-	1,150,517
1,000	South Carolina Public Service Authority, Electric System Revenue Bonds, Santee Cooper, Refunding Series 2011B, 5.000%, 12/01/15 Tennessee – 0.5%	No Opt. Call	AA-	1,020,250
795	Chattanooga Health, Educational and Housing Facility Board, Tennessee, Hospital Revenue Bonds, Catholic Health Initiatives, Series 2013A, 5.250%, 1/01/45 Texas – 9.3%	1/23 at 100.00	A+	863,966
250	Central Texas Regional Mobility Authority, Revenue Bonds, Senior Lien Series 2011, 6.000%, 1/01/41	1/21 at 100.00	BBB	286,760
4,640	Grand Parkway Transportation Corporation, Texas, System Toll Revenue Bonds, First Tier Series 2013A, 5.500%, 4/01/53	10/23 at 100.00	BBB+	5,077,042
1,405	Harris County-Houston Sports Authority, Texas, Revenue Bonds, Junior Lien Series 2001H: 0.000%, 11/15/32 – NPFPG Insured	11/31 at 94.05	AA-	621,488
2,510	0.000%, 11/15/36 – NPFPG Insured	11/31 at 73.51	AA-	854,053
2,235	Harris County-Houston Sports Authority, Texas, Revenue Bonds, Third Lien Series 2004A-3, 0.000%, 11/15/32 – NPFPG Insured	11/24 at 62.70	AA-	909,958

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	Harris County-Houston Sports Authority, Texas, Special Revenue Bonds, Refunding Senior Lien			
	Series 2001A:			
3,045	0.000%, 11/15/34 – NPF Insured	11/30 at 78.27	AA	1,230,698
4,095	0.000%, 11/15/38 – NPF Insured	11/30 at 61.17	AA	1,264,577
	Kerrville Health Facilities Development Corporation, Texas, Revenue Bonds, Sid Peterson			
1,275	Memorial Hospital Project, Series 2005, 5.375%, 8/15/35	2/16 at 100.00	BBB+	1,287,036
	Love Field Airport Modernization Corporation, Texas, Special Facilities Revenue Bonds,			
2,255	Southwest Airlines Company, Series 2010, 5.250%, 11/01/40	11/20 at 100.00	Baa1	2,458,514
	North Texas Tollway Authority, System Revenue Bonds, Refunding First Tier Capital Appreciation			
290	Series 2008I, 6.200%, 1/01/42 – AGC Insured	1/25 at 100.00	AA	350,071
	Texas Municipal Gas Acquisition and Supply Corporation III, Gas Supply Revenue Bonds, Series			
2,000	2012, 5.000%, 12/15/32	No Opt. Call	A3	2,147,840
	Texas Turnpike Authority, Central Texas Turnpike System Revenue Bonds, First Tier Series			
2,410	2002A, 0.000%, 8/15/25 – AMBAC Insured	No Opt. Call	A–	1,685,361
26,410	Total Texas Utah – 1.1%			18,173,398
	Utah Transit Authority, Sales Tax Revenue Bonds, Series 2007A, 0.000%, 6/15/36			
5,465	Virginia – 3.3%	6/17 at 38.77	AA–	2,070,634
	Chesapeake, Virginia, Transportation System Senior Toll Road Revenue Bonds, Capital Appreciation Series 2012B, 0.000%, 7/15/32			
3,500	Route 460 Funding Corporation, Virginia, Toll Road Revenue Bonds, Series 2012A, 5.125%, 7/01/49	7/28 at 100.00	BBB	2,556,645
1,500	Virginia Small Business Financing Authority, Senior Lien Revenue Bonds, Elizabeth River Crossing, Opco LLC Project, Series 2012:	No Opt. Call	BBB–	1,602,195
500	6.000%, 1/01/37 (Alternative Minimum Tax)	7/22 at 100.00	BBB–	571,865
1,510	5.500%, 1/01/42 (Alternative Minimum Tax)	7/22 at 100.00	BBB–	1,630,302
7,010	Total Virginia Washington – 3.9%			6,361,007
	Energy Northwest, Washington, Electric Revenue Bonds, Columbia Generating Station – Nuclear			
2,035		7/16 at 100.00	Aa1 (4)	2,129,119

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	Project 2, Series 2006C, 5.000%, 7/01/24 (Pre-refunded 7/01/16) Washington Health Care Facilities Authority, Revenue Bonds, Fred Hutchinson Cancer Research	1/21 at 100.00	A	1,091,604
990				
	Center, Series 2011A, 5.625%, 1/01/35 Washington Health Care Facilities Authority, Revenue Bonds, Providence Health & Services,	10/22 at 100.00	AA	4,408,120
4,000				
	Series 2012A, 5.000%, 10/01/32 Total Washington Wisconsin – 1.2% Wisconsin Health and Educational Facilities Authority, Revenue Bonds, Marshfield Clinic,	2/22 at 100.00	A–	1,337,450
7,025				7,628,843
	Series 2012B, 5.000%, 2/15/32 Wisconsin, General Obligation Refunding Bonds, Series 2003-3, 5.000%, 11/01/26	11/15 at 100.00	AA	988,931
1,250				2,326,381
985	Total Wisconsin			2,326,381
2,235	Total Municipal Bonds (cost \$170,728,808)			189,446,583
\$ 265,290				

Principal
Amount

(000)	Description (1)	Coupon	Maturity	Ratings (3)	Value
	CORPORATE BONDS – 0.0%				
	Transportation – 0.0%				
\$ 91	Las Vegas Monorail Company, Senior Interest Bonds (5), (6)	5.500%	7/15/19	N/R	\$ 16,651
25	Las Vegas Monorail Company, Senior Interest Bonds (5), (6)	3.000%	7/15/55	N/R	3,290
\$ 117	Total Corporate Bonds (cost \$10,497)				19,941
	Total Long-Term Investments (cost \$170,739,305)				189,466,524
	Other Assets Less Liabilities – 3.0% (7)				5,942,297
					\$
	Net Assets – 100%				195,408,821

Investments in Derivatives as of June 30, 2015

Interest Rate Swaps
outstanding:

Counterparty	Fund	Notional Pay/Receive Amount Floating Rate	Floating Rate Index (Annualized)	Fixed Rate		Effective Termination Date (8) Date (Depreciation)	Unrealized Appreciation
				Fixed Rate	Payment Frequency		
JPMorgan		\$5,500,000 Receive	USD-BMA	1.940%	Quarterly	6/29/16 6/29/26	\$69,344

Fair Value Measurements

Fair value is defined as the price that would be received upon selling an investment or transferring a liability in an orderly transaction to an independent buyer in the principal or most advantageous market for the investment. A three-tier hierarchy is used to maximize the use of observable market data and minimize the use of unobservable inputs and to establish classification of fair value measurements for disclosure purposes. Observable inputs reflect the assumptions market participants would use in pricing the asset or liability. Observable inputs are based on market data obtained from sources independent of the reporting entity. Unobservable inputs reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability. Unobservable inputs are based on the best information available in the circumstances. The following is a summary of the three-tiered hierarchy of valuation input levels.

Level 1 – Inputs are unadjusted and prices are determined using quoted prices in active markets for identical securities.

Level 2 – Prices are determined using other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.).

Level 3 – Prices are determined using significant unobservable inputs (including management's assumptions in determining the fair value of investments).

	Level 1	Level 2	Level 3	Total
Investments:				
Municipal Bonds	\$ —	\$189,446,583	\$ —	\$189,446,583
Corporate Bonds	—	—	19,941	19,941
Investments in Derivatives:				
Interest Rate Swaps*	—	69,344	—	69,344
Total	\$ —	\$189,515,927	\$19,941	\$189,535,868

* Represents net unrealized appreciation (depreciation).

Income Tax Information

The following information is presented on an income tax basis. Differences between amounts for financial statement and federal income tax purposes are primarily due to timing differences in recognizing taxable market discount, timing differences in recognizing certain gains and losses on investment transactions and the treatment of investments in inverse floating rate securities reflected as financing transactions, if any. To the extent that differences arise that are permanent in nature, such amounts are reclassified within the capital accounts on the Statement of Assets and Liabilities presented in the annual report, based on their federal tax basis treatment; temporary differences do not require reclassification. Temporary and permanent differences do not impact the net asset value of the Fund.

As of June 30, 2015, the cost of investments (excluding investments in derivatives) was \$169,253,235.

Gross unrealized appreciation and gross unrealized depreciation of investments (excluding investments in derivatives) as of June 30, 2015, were as follows:

Gross unrealized:	
Appreciation	\$21,240,254
Depreciation	(1,026,965)
Net unrealized appreciation (depreciation) of investments	\$20,213,289

- (1) All percentages shown in the Portfolio of Investments are based on net assets.
 - (2) Optional Call Provisions: Dates (month and year) and prices of the earliest optional call or redemption. There may be other call provisions at varying prices at later dates. Certain mortgage-backed securities may be subject to periodic principal paydowns
 - (3) Ratings: Using the highest of Standard & Poor's Group ("Standard & Poor's"), Moody's Investors Service, Inc. ("Moody's") or Fitch, Inc. ("Fitch") rating. Ratings below BBB by Standard & Poor's, Baa by Moody's or BBB by Fitch are considered to be below investment grade. Holdings designated N/R are not rated by any of these national rating agencies.
Backed by an escrow or trust containing sufficient U.S. Government or U.S. Government agency securities,
 - (4) which ensure the timely payment of principal and interest. Certain bonds backed by U.S. Government or agency securities are regarded as having an implied rating equal to the rating of such securities.
 - (5) Investment valued at fair value using methods determined in good faith by, or at the discretion of, the Board. For fair value measurement disclosure purposes, investment classified as Level 3.
 - (6) During January 2010, Las Vegas Monorail Company ("Las Vegas Monorail") filed for federal bankruptcy protection. During March 2012, Las Vegas Monorail emerged from federal bankruptcy with the acceptance of a reorganization plan assigned by the Federal Bankruptcy Court. Under the reorganization plan, the Fund surrendered its Las Vegas Monorail Project Revenue Bonds, First Tier, Series 2000 and in turn received two senior interest corporate bonds: the first with an annual coupon rate of 5.500% maturing on July 15, 2019 and the second with an annual coupon rate of 3.000% (5.500% after December 31, 2015) maturing on July 15, 2055. The Fund's custodian is not accruing income on the Fund's records for either senior interest corporate bond.
 - (7) Other assets less liabilities includes the unrealized appreciation (depreciation) of certain over-the-counter derivatives as well as the exchange-cleared and exchange-traded derivatives, when applicable.
 - (8) Effective date represents the date on which both the Fund and counterparty commence interest payment accruals on each contract.
- (ETM) Escrowed to maturity.
- (IF) Inverse floating rate investment.
- (WI/DD) Investment, or portion of investment, purchased on a when-issued or delayed delivery basis.

Item 2. Controls and Procedures.

- a. The registrant's principal executive and principal financial officers, or persons performing similar functions, have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940, as amended (the "1940 Act") (17 CFR 270.30a-3(c))) are effective, as of a date within 90 days of the filing date of this report that includes the disclosure required by this paragraph, based on their evaluation of the controls and procedures required by Rule 30a-3(b) under the 1940 Act (17 CFR 270.30a-3(b)) and Rule 13a-15(b) or 15d-15(b) under the Securities Exchange Act of 1934 (17 CFR 240.13a-15(b) or 240.15d-15(b)).
- b. There were no changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the 1940 Act (17 CFR 270.30a-3(d))) that occurred during the registrant's last fiscal quarter that have materially affected, or are reasonably likely to materially affect, the registrant's internal control over financial reporting.

Item 3. Exhibits.

File as exhibits as part of this Form a separate certification for each principal executive officer and principal financial officer of the registrant as required by Rule 30a-2(a) under the 1940 Act (17 CFR 270.30a-2(a)), exactly as set forth below: See EX-99 CERT attached hereto.

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.

(Registrant) Nuveen Select Tax-Free Income Portfolio 3

By (Signature and Title) /s/ Kevin J. McCarthy
Kevin J. McCarthy
Vice President and Secretary

Date: August 28, 2015

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 (Signature and Title) /s/ Gifford R. Zimmerman
Gifford R. Zimmerman
Chief Administrative Officer (principal executive officer)

Date: August 28, 2015

By (Signature and Title) /s/ Stephen D. Foy
Stephen D. Foy
Vice President and Controller (principal financial officer)

Date: August 28, 2015