

EATON VANCE MICHIGAN 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

**811-09153**

## **Eaton Vance** **Michigan 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**

---

Eaton Vance Michigan Municipal Income Trust

as of August 31, 2007

**PORTFOLIO OF INVESTMENTS (Unaudited)****Tax-Exempt Investments 161.8%**

Principal Amount (000 s omitted)	Security	Value
<b>Education 6.0%</b>		
\$ 1,250	Michigan Higher Education Facilities Authority, (Creative Studies), 5.90%, 12/1/27	\$ 1,298,587
540	Michigan Higher Education Facilities Authority, (Hillsdale College), 5.00%, 3/1/35	529,713
		<b>\$ 1,828,300</b>
<b>Electric Utilities 12.7%</b>		
\$ 1,250	Michigan Strategic Fund, (Detroit Edison Pollution Control), 5.45%, 9/1/29	\$ 1,272,700
375	Puerto Rico Electric Power Authority, DRIVERS, Variable Rate, 6.73%, 7/1/25 (1)(2)	393,727
1,125	Puerto Rico Electric Power Authority, DRIVERS, Variable Rate, 6.73%, 7/1/37 (1)(2)	1,120,871
1,000	Puerto Rico Electric Power Authority, Prerefunded to 7/1/12, 5.25%, 7/1/31	1,079,350
		<b>\$ 3,866,648</b>
<b>Escrowed/Prerefunded 8.8%</b>		
\$ 500	Garden City School District, Prerefunded to 5/1/11, 5.00%, 5/1/26	\$ 522,685
500	Kent Hospital Finance Authority, (Spectrum Health), Prerefunded to 7/15/11, 5.50%, 1/15/31	536,280
750	Michigan Hospital Finance Authority, (Ascension Health Care), Prerefunded to 11/15/09, 6.125%, 11/15/26	794,145
750	Michigan Hospital Finance Authority, (Sparrow Obligation Group), Prerefunded to 11/15/11, 5.625%, 11/15/36	812,287
		<b>\$ 2,665,397</b>
<b>General Obligations 10.8%</b>		
\$ 500	East Grand Rapids, Public School District, 5.00%, 5/1/25	\$ 507,825
1,000	Manistee Area Public Schools, 5.00%, 5/1/24	1,016,670
750	Puerto Rico Public Buildings Authority, Commonwealth Guaranteed, 5.25%, 7/1/29	769,635
1,000	White Cloud, Public Schools, Prerefunded to 5/1/11, 5.125%, 5/1/31	1,017,330
		<b>\$ 3,311,460</b>
<b>Hospital 28.4%</b>		
\$ 500	Allegan Hospital Finance Authority, (Allegan General Hospital), 7.00%, 11/15/21	\$ 523,660
185	Gaylord Hospital Finance Authority, (Otsego Memorial Hospital Association), 6.20%, 1/1/25	188,676
1		

Edgar Filing: EATON VANCE MICHIGAN MUNICIPAL INCOME TRUST - Form N-Q

\$	125	Gaylord Hospital Finance Authority, (Otsego Memorial Hospital Association), 6.50%, 1/1/37	\$	128,644
560		Macomb County Hospital Finance Authority, (Mount Clemens General Hospital), 5.875%, 11/15/34		543,676
500		Mecosta County, (Michigan General Hospital), 6.00%, 5/15/18		508,315
1,000		Michigan Hospital Finance Authority, (Central Michigan Community Hospital), 6.25%, 10/1/27		1,007,570
750		Michigan Hospital Finance Authority, (Henry Ford Health System), 5.00%, 11/15/38		724,215
1,000		Michigan Hospital Finance Authority, (Henry Ford Health System), 5.25%, 11/15/46		991,370
1,430		Michigan Hospital Finance Authority, (McLaren Healthcare), 5.00%, 8/1/35		1,391,133
750		Michigan Hospital Finance Authority, (Memorial Healthcare Center), 5.875%, 11/15/21		766,972
1,000		Michigan Hospital Finance Authority, (Trinity Health), 6.00%, 12/1/27		1,061,090
800		Saginaw Hospital Finance Authority, (Covenant Medical Center), 6.50%, 7/1/30		852,296
			\$	<b>8,687,617</b>
<b>Housing 3.0%</b>				
\$	1,000	Michigan State Housing Development Authority, (Williams Pavilion), (AMT), 4.90%, 4/20/48	\$	921,960
			\$	<b>921,960</b>
<b>Industrial Development Revenue 8.0%</b>				
\$	1,000	Detroit Local Development Finance Authority, (Chrysler Corp.), 5.375%, 5/1/21	\$	1,004,500
800		Dickinson County Electronic Development Corp., (International Paper Co.), 5.75%, 6/1/16		829,640
625		Puerto Rico Port Authority, (American Airlines), (AMT), 6.25%, 6/1/26		625,219
			\$	<b>2,459,359</b>
<b>Insured-Electric Utilities 9.0%</b>				
\$	1,000	Michigan Strategic Fund Resource Recovery, (Detroit Edison Co.), (MBIA), (AMT), 5.55%, 9/1/29	\$	1,031,150
500		Michigan Strategic Fund Resource Recovery, (Detroit Edison Co.), (XLCA), 5.25%, 12/15/32		511,885
1,200		Puerto Rico Electric Power Authority, (MBIA), 4.75%, 7/1/33 (3)		1,204,476
			\$	<b>2,747,511</b>

2

Edgar Filing: EATON VANCE MICHIGAN MUNICIPAL INCOME TRUST - Form N-Q

<b>Insured-Escrowed/Prerefunded 20.4%</b>			
\$	1,000	Central Montcalm Public Schools, (MBIA), Prerefunded to 5/1/09, 6.00%, 5/1/29	\$ 1,037,150
1,000		Detroit Sewer Disposal, (FGIC), Prerefunded to 7/1/11, 5.125%, 7/1/31	1,051,720
2,000		Fenton Area Public Schools, (FGIC), Prerefunded to 5/1/08, 5.00%, 5/1/24	2,017,320
2,000		Novi Building Authority, (FSA), Prerefunded to 10/1/10, 5.50%, 10/1/25	2,123,300
			<b>\$ 6,229,490</b>
<b>Insured-General Obligations 8.1%</b>			
\$	650	Detroit, School District, (FGIC), 4.75%, 5/1/28	\$ 650,501
750		Detroit, School District, (FSA), 5.25%, 5/1/32	816,165
200		Eaton Rapids Public Schools, (MBIA), 4.75%, 5/1/25	200,448
700		Puerto Rico, (FSA), Variable Rate, 7.642%, 7/1/27 (1)(2)	805,392
			<b>\$ 2,472,506</b>
<b>Insured-Hospital 6.7%</b>			
\$	1,000	Royal Oak, Hospital Finance Authority Revenue, (William Beaumont Hospital), (MBIA), 5.25%, 11/15/35	\$ 1,015,170
1,000		Saginaw Hospital Finance Authority, (Covenant Medical Center), (MBIA), 5.50%, 7/1/24	1,032,630
			<b>\$ 2,047,800</b>
<b>Insured-Lease Revenue/Certificates of Participation 4.1%</b>			
\$	4,300	Michigan State Building Authority, (FGIC), 0.00%, 10/15/30	\$ 1,254,310
			<b>\$ 1,254,310</b>
<b>Insured-Special Tax Revenue 11.4%</b>			
\$	5,160	Puerto Rico Sales Tax Financing, (AMBAC), 0.00%, 8/1/54	\$ 455,731
1,225		Puerto Rico Sales Tax Financing, (MBIA), 0.00%, 8/1/44	185,441
2,430		Puerto Rico Sales Tax Financing, (MBIA), 0.00%, 8/1/45	349,385
1,470		Puerto Rico Sales Tax Financing, (MBIA), 0.00%, 8/1/46	200,670
2,250		Wayne Charter County, (Airport Hotel-Detroit Metropolitan Airport), (MBIA), 5.00%, 12/1/30	2,280,915
			<b>\$ 3,472,142</b>
<b>Insured-Student Loan 6.6%</b>			
\$	1,000	Michigan Higher Education Student Loan Authority, (AMBAC), (AMT), 5.00%, 3/1/31	\$ 1,000,720
1,000		Michigan Higher Education Student Loan Authority, (AMBAC), (AMT), 5.50%, 6/1/25 (4)	1,018,340
			<b>\$ 2,019,060</b>
<b>Insured-Transportation 3.3%</b>			
\$	1,000	Wayne Charter County Airport, (MBIA), (AMT), 5.00%, 12/1/28	\$ 1,002,000
			<b>\$ 1,002,000</b>

3

<b>Insured-Water Revenue 5.4%</b>			
\$	1,650	Detroit, Water Supply System, (FGIC), 5.00%, 7/1/30	\$ 1,665,626
			<b>\$ 1,665,626</b>
<b>Lease Revenue/Certificates of Participation 0.8%</b>			
\$	250	Puerto Rico, (Guaynabo Municipal Government Center Lease), 5.625%, 7/1/22	\$ 251,738
			<b>\$ 251,738</b>
<b>Other Revenue 3.4%</b>			
\$	12,500	Michigan Tobacco Settlement Finance Authority, 0.00%, 6/1/52	\$ 531,750
500		Michigan Tobacco Settlement Finance Authority, 6.00%, 6/1/48	502,325
			<b>\$ 1,034,075</b>
<b>Transportation 4.9%</b>			
\$	1,500	Kent County Airport Facility, 5.00%, 1/1/25 (3)	\$ 1,509,570
			<b>\$ 1,509,570</b>
<b>Total Tax-Exempt Investments 161.8%</b>			<b>\$ 49,446,569</b>
<b>(identified cost \$48,162,409)</b>			<b>\$ (1,386,420 )</b>
<b>Other Assets, Less Liabilities (4.5)%</b>			<b>\$ (17,503,837 )</b>
<b>Auction Preferred Shares Plus Cumulative Unpaid Dividends (57.3)%</b>			<b>\$ 30,556,312</b>
<b>Net Assets Applicable to Common Shares 100.0%</b>			

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
FSA	Financial Security Assurance, Inc.
MBIA	Municipal Bond Insurance Association
XLCA	XL Capital Assurance, Inc.

The Trust invests primarily in debt securities issued by Michigan 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, 46.3% 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 1.0% to 19.3% 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 \$2,319,990 or 7.6% of the 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 represents the underlying municipal obligation of an inverse floating rate obligation held by the Trust.
- (4) Security (or a portion thereof) has been segregated to cover margin requirements on open financial futures contracts.

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

**Futures Contracts**

Expiration Date(s)	Contracts	Position	Aggregate Cost	Value	Net Unrealized Appreciation
12/07	5 U.S. Treasury Note	Short	\$ (546,193 )	\$ (545,234 )	\$ 959
					<b>\$ 959</b>

**Interest Rate Swaps**

Counterparty	Notional Amount	Annual Fixed Rate Paid By Trust	Floating Rate Paid To Trust	Effective Date/ Termination Date	Unrealized Depreciation
Citibank, N.A.	\$ 275,000	5.732 %	3-month USD-LIBOR-BBA	May 16, 2008/ May 16, 2038	\$ (11,035 )
Merrill Lynch Capital Services, Inc.	\$ 400,000	5.817 %	3-month USD-LIBOR-BBA	April 1, 2008/ April 1, 2038	\$ (21,997 )
					<b>\$ (33,032 )</b>

The effective date represents the date on which the Fund and the counterparty to the interest rate swap contract begin interest rate 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>\$ 46,201,482</b>
Gross unrealized appreciation	\$ 1,969,026
Gross unrealized depreciation	(648,939 )
<b>Net unrealized appreciation</b>	<b>\$ 1,320,087</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.

---



Edgar Filing: EATON VANCE MICHIGAN MUNICIPAL INCOME TRUST - Form N-Q

**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 Michigan Municipal Income Trust

By: /s/ Cynthia J. Clemson  
Cynthia J. Clemson  
President and Principal Executive Officer  
Date: October 23, 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/ Cynthia J. Clemson  
Cynthia J. Clemson  
President and Principal Executive Officer  
Date: October 23, 2007  
By: /s/ Barbara E. Campbell  
Barbara E. Campbell  
Treasurer and Principal Financial Officer  
Date: October 23, 2007

---