

BLACKROCK MUNIHOLDINGS CALIFORNIA QUALITY FUND, INC.

Form N-Q

June 22, 2016

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

**FORM N-Q**

**QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED**

**MANAGEMENT INVESTMENT COMPANY**

Investment Company Act file number 811-08573

Name of Fund: BlackRock MuniHoldings California Quality Fund, Inc. (MUC)

Fund Address: 100 Bellevue Parkway, Wilmington, DE 19809

Name and address of agent for service: John M. Perlowski, Chief Executive Officer, BlackRock

MuniHoldings California Quality Fund, Inc., 55 East 52<sup>nd</sup> Street, New York, NY 10055

Registrant's telephone number, including area code: (800) 882-0052, Option 4

Date of fiscal year end: 07/31/2016

Date of reporting period: 04/30/2016

Item 1 Schedule of Investments

## Schedule of Investments April 30, 2016 (Unaudited)

## BlackRock MuniHoldings California Quality Fund, Inc. (MUC)

(Percentages shown are based on Net Assets)

|   | Par        |              |
|---|------------|--------------|
|   | (000)      | Value        |
| <b>Municipal Bonds</b>  |            |              |
| <b>California 104.3%</b>  |            |              |
| <b>Corporate 2.7%</b>   |            |              |
| California Pollution Control Financing Authority, Refunding RB, Waste Management, Inc., AMT:                              |            |              |
| Series A-1, 3.38%, 7/01/25  | \$ 5,000   | \$ 5,394,400 |
| Series B-1, 3.00%, 11/01/25   | 9,000      | 9,479,250    |
| City of Chula Vista California, Refunding RB, San Diego Gas & Electric, Series A, 5.88%, 2/15/34                          | 2,435      | 2,802,222    |
|   |            | 17,675,872   |
| <b>County/City/Special District/School District 33.2%</b>   |            |              |
| Centinela Valley Union High School District, GO:  |            |              |
| County of Los Angeles, California (BAM), 4.00%, 8/01/41 (a)   | 2,500      | 2,706,800    |
| Election of 2010, Series A, 5.75%, 8/01/21 (b)  | 9,120      | 11,308,526   |
| County of Kern California, COP, Capital Improvements Projects, Series A (AGC), 6.00%, 8/01/35                             | 3,500      | 3,978,240    |
| County of Los Angeles Public Works Financing Authority, Refunding RB, Series D:   |            |              |
| 4.00%, 12/01/40   | 1,000      | 1,073,280    |
| 5.00%, 12/01/45   | 1,430      | 1,690,289    |
| County of Orange California Sanitation District, COP, Series A, 5.00%, 2/01/19 (b)  | 2,500      | 2,788,950    |
| County of Riverside California Public Financing Authority, RB, Capital Facilities Project, 5.25%, 11/01/45                | 10,000     | 11,995,300   |
| County of San Joaquin California Transportation Authority, Refunding RB, Limited Tax, Measure K, Series A, 6.00%, 3/01/36 | 2,665      | 3,238,002    |
| County of Ventura California Community College District, GO, Election of 2002, Series C, 5.50%, 8/01/18 (b)               | 4,000      | 4,430,120    |
| Culver City Redevelopment Finance Authority California, Refunding, Tax Allocation Bonds, Series A (AGM), 5.60%, 11/01/25  | 3,750      | 3,765,712    |
|   | <b>Par</b> |              |
|   | (000)      | Value        |
| <b>Municipal Bonds</b>  |            |              |
| <b>California (continued)</b>   |            |              |
| <b>County/City/Special District/School District (continued)</b>   |            |              |
| Fremont Union High School District, GO, Refunding, 4.00%, 8/01/40   | \$ 2,500   | \$ 2,731,250 |
| Garden Grove Unified School District, GO, Election of 2010, Series C, 5.25%, 8/01/40                                      | 5,500      | 6,651,920    |
| Gavilan Joint Community College District, GO, Election of 2004, Series D:   |            |              |
| 5.50%, 8/01/31  | 2,170      | 2,563,074    |
| 5.75%, 8/01/35  | 8,400      | 10,003,056   |
| Golden Empire Schools Financing Authority, Refunding RB, Kern High School District Projects, 0.91%, 5/01/17 (c)           | 5,000      | 4,998,200    |
| Grossmont California Healthcare District, GO, Election of 2006, Series B, 6.13%, 7/15/21 (b)                              | 2,000      | 2,515,420    |
| Imperial Irrigation District, Series A, Electric System Revenue:  |            |              |
| 5.13%, 11/01/18 (b)   | 6,530      | 7,240,072    |
| 5.13%, 11/01/38   | 1,470      | 1,621,601    |
| Kern Community College District, GO, Safety Repair & Improvements, Series C:  |            |              |
| 5.25%, 11/01/32   | 5,715      | 7,116,146    |
| 5.75%, 11/01/34   | 12,085     | 15,492,366   |
| Los Alamitos Unified School District, GO, Refunding, School Facilities Improvement, Series E, 5.25%, 8/01/39              | 3,700      | 4,480,441    |
| Los Rios Community College District, GO, Election of 2008, Series A, 5.00%, 8/01/35                                       | 11,000     | 12,680,690   |
| Merced Union High School District, GO, CAB, Refunding (AGM) (d):  |            |              |
| 0.00%, 8/01/40  | 3,800      | 1,261,220    |
| 0.00%, 8/01/42  | 4,125      | 1,211,265    |
| Mount San Jacinto Community College District, GO, Series A, 5.00%, 8/01/35  | 3,565      | 4,320,174    |
| Oxnard Union High School District, GO, Refunding, Election of 2004, Series A (AGM), 5.00%, 8/01/35                        | 10,000     | 11,372,100   |
| Redlands Unified School District California, GO, Election of 2008 (AGM), 5.25%, 7/01/33                                   | 5,000      | 5,465,650    |
| Rio Elementary School District, GO, Series A, 5.25%, 8/01/40  | 5,865      | 7,029,202    |



## Schedule of Investments (continued)

BlackRock MuniHoldings California Quality Fund, Inc. (MUC)

|   | Par          |              |
|---|--------------|--------------|
|   | (000)        | Value        |
| <b>Municipal Bonds</b>  |              |              |
| <b>California (continued)</b>   |              |              |
| <b>County/City/Special District/School District (continued)</b>   |              |              |
| Riverside Community College District Foundation, GO, Election of 2004 (b):                                |              |              |
| Series C (AGM), 5.00%, 8/01/17  | \$ 8,750     | \$ 9,232,300 |
| Series C (NPFGC), 5.00%, 8/01/17  | 8,910        | 9,401,119    |
| San Diego Regional Building Authority, RB, County Operations Center & Annex, Series A, 5.50%, 2/01/19 (b) | 905          | 1,020,062    |
| San Diego Unified School District, GO, CAB, Series C (d):   |              |              |
| Election of 2008, 0.00%, 7/01/42  | 3,605        | 1,356,381    |
| Election of 2008, 0.00%, 7/01/43  | 1,310        | 473,552      |
| Election of 2008, 0.00%, 7/01/45  | 1,575        | 526,759      |
| 0.00%, 7/01/47  | 1,000        | 307,790      |
| San Jose California Financing Authority, LRB, Convention Center Expansion & Renovation Project, Series A: |              |              |
| 5.75%, 5/01/36  | 2,560        | 2,571,341    |
| 5.75%, 5/01/42  | 4,500        | 5,340,105    |
| San Jose California Financing Authority, Refunding LRB, Civic Center Project, Series A, 5.00%, 6/01/39    | 5,800        | 6,761,060    |
| San Marcos Redevelopment Agency Successor Agency, Refunding, Tax Allocation Bonds, Series A:              |              |              |
| 5.00%, 10/01/32   | 1,700        | 2,059,550    |
| 5.00%, 10/01/33   | 1,125        | 1,357,684    |
| Snowline Joint Unified School District, COP, Refunding, Refining Project (AGC), 5.75%, 9/01/19 (b)        | 5,635        | 6,544,602    |
| Sweetwater Union High School District, GO, Refunding, 4.00%, 8/01/42                                      | 5,000        | 5,389,250    |
| West Contra Costa California Unified School District, GO:   |              |              |
| Election of 2010, Series A (AGM), 5.25%, 8/01/41  | 5,390        | 6,379,281    |
| Election of 2010, Series B, 5.50%, 8/01/39  | 3,195        | 3,924,834    |
|   | <b>Par</b>   |              |
|   | <b>(000)</b> | <b>Value</b> |
| <b>Municipal Bonds</b>  |              |              |
| <b>California (continued)</b>   |              |              |
| <b>County/City/Special District/School District (continued)</b>   |              |              |
| West Contra Costa California Unified School District, GO (continued):                                     |              |              |
| Election of 2012, Series A, 5.50%, 8/01/39  | \$ 2,500     | \$ 3,071,075 |
|   |              | 221,445,811  |
| <b>Education 2.5%</b>   |              |              |
| California Municipal Finance Authority, RB, Emerson College, 6.00%, 1/01/42                               | 2,750        | 3,296,177    |
| University of California, Refunding RB:   |              |              |
| Series AO, 5.00%, 5/15/40   | 5,430        | 6,483,909    |
| Series AR, 5.00%, 5/15/41   | 2,360        | 2,864,828    |
| Series AR, 5.00%, 5/15/46   | 3,600        | 4,348,800    |
|   |              | 16,993,714   |
| <b>Health 13.4%</b>   |              |              |
| ABAG Finance Authority for Nonprofit Corps., Refunding RB, Sharp Healthcare, Series B, 6.25%, 8/01/39     |              |              |
|   | 6,305        | 7,303,081    |
| California Health Facilities Financing Authority, RB:   |              |              |
| Children s Hospital, Series A, 5.25%, 11/01/41  | 8,000        | 9,213,840    |
| Providence Health Services, Series B, 5.50%, 10/01/39   | 4,130        | 4,699,775    |
| Sutter Health, Series A, 5.00%, 11/15/41  | 2,275        | 2,695,807    |
| Sutter Health, Series A, 5.25%, 11/15/46  | 7,500        | 7,679,325    |
| Sutter Health, Series B, 6.00%, 8/15/42   | 9,655        | 11,597,972   |
| California Health Facilities Financing Authority, Refunding RB:   |              |              |
| Dignity Health, Series A, 6.00%, 7/01/34  | 3,700        | 4,249,857    |
| Lucile Salter Packard Children s Hospital at Stanford, Series B, 5.00%, 8/15/55                           | 4,500        | 5,300,100    |
| Providence Health and Services, Series A, 5.00%, 10/01/38   | 10,970       | 12,859,144   |
| St. Joseph Health System, Series A, 5.00%, 7/01/37  | 10,000       | 11,681,900   |



## Schedule of Investments (continued)

BlackRock MuniHoldings California Quality Fund, Inc. (MUC)

|  | Par        |              |
|--|------------|--------------|
|  | (000)      | Value        |
| <b>Municipal Bonds</b>   |            |              |
| <b>California (continued)</b>  |            |              |
| <b>Health (continued)</b>  |            |              |
| California Statewide Communities Development Authority, Refunding RB:  |            |              |
| CHF Irvine LLC, 5.00%, 5/15/40   | \$ 750     | \$ 879,248   |
| Kaiser Permanente, Series C, 5.25%, 8/01/31  | 2,500      | 2,526,125    |
| Trinity Health Credit Group Composite Issue, 5.00%, 12/01/41   | 6,235      | 7,064,068    |
| Washington Township Health Care District, GO, Election of 2004, Series B, 5.50%, 8/01/38                           | 1,625      | 1,986,546    |
|  |            | 89,736,788   |
| <b>State 7.6%</b>  |            |              |
| State of California, GO:   |            |              |
| Various Purposes, 6.00%, 3/01/33   | 5,000      | 5,943,300    |
| Various Purposes, 6.00%, 4/01/38   | 27,765     | 31,830,907   |
| Refunding, Veterans Bond, 4.00%, 12/01/40  | 4,000      | 4,351,360    |
| State of California Public Works Board, LRB:   |            |              |
| Department of Education, Riverside Campus Project, Series B, 6.50%, 4/01/34  | 3,670      | 4,295,441    |
| Various Capital Projects, Series I, 5.50%, 11/01/33  | 2,015      | 2,501,079    |
| State of California Public Works Board, RB, California State Prisons, Series C, 5.75%, 10/01/31                    | 1,205      | 1,482,017    |
|  |            | 50,404,104   |
| <b>Transportation 20.7%</b>  |            |              |
| City & County of San Francisco California Airports Commission, ARB, Series E, 6.00%, 5/01/39                       | 9,650      | 11,103,193   |
| City & County of San Francisco California Airports Commission, Refunding ARB, AMT:                                 |            |              |
| 2nd Series 34E (AGM), 5.75%, 5/01/22   | 4,950      | 5,438,615    |
| 2nd Series 34E (AGM), 5.75%, 5/01/24   | 5,000      | 5,488,800    |
| 2nd Series A, 5.00%, 5/01/29   | 6,435      | 7,459,259    |
|  | <b>Par</b> |              |
| <b>Municipal Bonds</b>   |            |              |
| <b>California (continued)</b>  |            |              |
| <b>Transportation (continued)</b>  |            |              |
| City of Los Angeles California Department of Airports, ARB:  |            |              |
| AMT, Senior Series A, 5.00%, 5/15/40   | \$ 3,830   | \$ 4,442,647 |
| AMT, Series D, 5.00%, 5/15/35  | 2,000      | 2,347,640    |
| AMT, Series D, 5.00%, 5/15/36  | 1,500      | 1,755,510    |
| Los Angeles International Airport, Senior Series D, 5.25%, 5/15/29   | 2,590      | 3,015,744    |
| City of Los Angeles California Department of Airports, Refunding ARB, Los Angeles International Airport, Series A: |            |              |
| Senior, 5.00%, 5/15/40   | 5,000      | 5,680,950    |
| 5.25%, 5/15/39   | 5,845      | 6,551,485    |
| City of San Jose California, ARB, AMT, Series A (AMBAC), 5.00%, 3/01/37  | 8,000      | 8,257,520    |
| City of San Jose California, Refunding ARB, Series A-1, AMT:   |            |              |
| 5.25%, 3/01/23   | 3,785      | 4,418,155    |
| 6.25%, 3/01/34   | 1,400      | 1,680,966    |
| County of Orange California, ARB, Series B, 5.75%, 7/01/34   | 6,345      | 6,719,545    |
| County of Sacramento California, ARB:  |            |              |
| Senior Series A (AGC), 5.50%, 7/01/41  | 8,200      | 8,977,852    |
| Senior Series B, 5.75%, 7/01/39  | 2,650      | 2,913,755    |
| Senior Series B, AMT (AGM), 5.75%, 7/01/28   | 13,275     | 14,629,448   |
| Senior Series B, AMT (AGM), 5.25%, 7/01/33   | 18,000     | 19,473,300   |
| Senior Series B, AMT (AGM), 5.25%, 7/01/39   | 4,995      | 5,379,265    |
| County of San Bernardino California Transportation Authority, RB, Series A, 5.25%, 3/01/40                         | 4,545      | 5,465,408    |
| Port of Los Angeles California Harbor Department, RB, Series B, 5.25%, 8/01/34                                     | 5,530      | 6,250,946    |

## Schedule of Investments (continued)

BlackRock MuniHoldings California Quality Fund, Inc. (MUC)

|  | Par          |                    |
|--|--------------|--------------------|
|  | (000)        | Value              |
| <b>Municipal Bonds</b>   |              |                    |
| <b>California (continued)</b>  |              |                    |
| <b>Transportation (continued)</b>  |              |                    |
| Port of Los Angeles California Harbor Department, Refunding RB, Series A, AMT, 5.00%, 8/01/44                                    | \$ 500       | \$ 573,805         |
|  |              | 138,023,808        |
| <b>Utilities 24.2%</b>   |              |                    |
| Anaheim Public Financing Authority, RB, Electric System Distribution Facilities, Series A, 5.38%, 10/01/36                       | 2,200        | 2,585,330          |
| Antelope Valley-East Kern Water Agency, Refunding RB, 5.00%, 6/01/34   | 1,075        | 1,312,242          |
| City of Los Angeles California Department of Water & Power, RB:  |              |                    |
| Series A, 5.38%, 7/01/38   | 9,375        | 10,435,312         |
| Series A, 5.00%, 7/01/41   | 1,705        | 2,057,764          |
| Series A, 5.00%, 7/01/46   | 2,845        | 3,417,414          |
| Sub-Series A-2 (AGM), 5.00%, 7/01/35   | 5,000        | 5,040,750          |
| City of Los Angeles California Department of Water & Power, Refunding RB, Series A, 5.25%, 7/01/39                               | 16,000       | 18,509,280         |
| City of Los Angeles California Wastewater System, Refunding RB, Sub-Series A, 5.00%, 6/01/28                                     | 2,000        | 2,312,180          |
| City of San Francisco California Public Utilities Commission Water Revenue, RB:  |              |                    |
| Series A, 5.00%, 11/01/39  | 5,245        | 6,226,759          |
| Series B, 5.00%, 11/01/30  | 10,000       | 11,361,500         |
| County of Kern California Water Agency Improvement District No. 4, Refunding RB, Series A (AGM):                                 |              |                    |
| 4.00%, 5/01/35   | 1,460        | 1,594,626          |
| 4.00%, 5/01/36   | 1,430        | 1,555,397          |
| 4.00%, 5/01/38   | 880          | 948,473            |
| County of Sacramento California Sanitation Districts Financing Authority, RB (NPFGC), 5.00%, 12/01/36                            | 1,010        | 1,014,101          |
| Dublin-San Ramon Services District Water Revenue, Refunding RB, 6.00%, 8/01/41   | 4,000        | 4,765,280          |
|  | <b>Par</b>   |                    |
|  | <b>(000)</b> | <b>Value</b>       |
| <b>Municipal Bonds</b>   |              |                    |
| <b>California (continued)</b>  |              |                    |
| <b>Utilities (continued)</b>   |              |                    |
| East Bay California Municipal Utility District Wastewater System Revenue, Refunding RB, Sub-Series A, 5.00%, 6/01/17 (AMBAC) (b) | \$ 17,015    | \$ 17,831,890      |
| East Bay California Municipal Utility District Water System Revenue, Refunding RB (b):   |              |                    |
| Series A (NPFGC), 5.00%, 6/01/17   | 6,670        | 6,990,227          |
| Sub-Series A (AGM), 5.00%, 6/01/17   | 10,000       | 10,480,100         |
| Eastern Municipal Water District, COP, Series H, 5.00%, 7/01/33  | 2,505        | 2,724,839          |
| El Dorado Irrigation District / El Dorado County Water Agency, Refunding RB, Series A (AGM), 5.25%, 3/01/39                      | 10,000       | 11,930,600         |
| San Diego Public Facilities Financing Authority Sewer, Refunding RB, Senior Series A, 5.25%, 5/15/19 (b)                         | 11,060       | 12,549,893         |
| San Diego Public Facilities Financing Authority Water, Refunding RB, Series B, 5.50%, 8/01/39                                    | 8,000        | 9,128,720          |
| San Juan Water District, Refunding RB, San Juan & Citrus Heights, 5.25%, 2/01/33   | 7,325        | 8,696,093          |
| Santa Clara Valley Water District, Refunding RB, Series A, 5.00%, 6/01/46  | 5,000        | 5,979,700          |
| Upper Santa Clara Valley Joint Powers Authority, Refunding RB, Series A (a):   |              |                    |
| 5.00%, 8/01/41   | 875          | 1,062,364          |
| 5.00%, 8/01/46   | 1,000        | 1,209,140          |
|  |              | 161,719,974        |
| <b>Total Municipal Bonds 104.3%</b>  |              | <b>696,000,071</b> |



## Schedule of Investments (continued)

BlackRock MuniHoldings California Quality Fund, Inc. (MUC)

| Municipal Bonds Transferred to   | Par          |               |
|--|--------------|---------------|
| Tender Option Bond Trusts (e)  | (000)        | Value         |
| <b>California 57.3%</b>  |              |               |
| <b>County/City/Special District/School District 28.0%</b>  |              |               |
| County of Alameda California Joint Powers Authority, Refunding LRB (AGM), 5.00%, 12/01/34                          | \$ 13,180    | \$ 14,025,233 |
| County of San Luis Obispo Community College District, GO, Refunding, Election of 2014, Series A, 4.00%, 8/01/40    | 6,585        | 7,219,516     |
| Desert Community College District California, GO, Series C (AGM), 5.00%, 8/01/17 (b)                               | 16,530       | 17,441,134    |
| Foothill-De Anza Community College District, GO, Series C, 5.00%, 8/01/40  | 40,000       | 46,357,600    |
| Los Angeles Community College District California, GO (b):   |              |               |
| Election of 2001, Series A (NPFGC), 5.00%, 8/01/17   | 6,647        | 7,013,842     |
| Election of 2001, Series E-1, 5.00%, 8/01/18   | 11,770       | 12,904,157    |
| Election of 2003, Series F-1, 5.00%, 8/01/18   | 10,000       | 10,963,600    |
| Los Angeles Community College District California, GO, Refunding, Election of 2008, Series A, 6.00%, 8/01/19 (b)   | 9,596        | 11,196,490    |
| Palomar California Community College District, GO, Election of 2006, Series C, 5.00%, 8/01/44                      | 15,140       | 18,015,389    |
| Poway Unified School District, GO, Election of 2002, Improvement District 02, Series 1-B (AGM), 5.00%, 8/01/16 (b) | 10,000       | 10,116,600    |
| Southwestern Community College District, GO, Election of 2008, Series D, 5.00%, 8/01/44                            | 10,820       | 12,855,350    |
| West Valley-Mission Community College District, GO, Election of 2012, Series B, 4.00%, 8/01/40                     | 17,000       | 18,740,120    |
|  |              | 186,849,031   |
| <b>Education 5.7%</b>  |              |               |
| University of California, RB:  |              |               |
| Series AM, 5.25%, 5/15/44  | 10,210       | 12,236,277    |
| Series O, 5.75%, 5/15/19 (b)   | 11,190       | 12,865,814    |
| University of California, Refunding RB:  |              |               |
| Series A, 5.00%, 11/01/43  | 6,001        | 7,173,327     |
| <b>Municipal Bonds Transferred to</b>  | <b>Par</b>   |               |
| <b>Tender Option Bond Trusts (e)</b>   | <b>(000)</b> | <b>Value</b>  |
| <b>California (continued)</b>  |              |               |
| <b>Education (continued)</b>   |              |               |
| University of California, Refunding RB (continued):  |              |               |
| Series AF, 5.00%, 5/15/39  | \$ 5,000     | \$ 5,919,700  |
|  |              | 38,195,118    |
| <b>Health 9.2%</b>   |              |               |
| California Health Facilities Financing Authority, RB, Sutter Health, Series A, 5.00%, 8/15/52                      | 14,520       | 16,978,672    |
| California Health Facilities Financing Authority, Refunding RB, Sutter Health, Series A, 5.00%, 8/15/43            | 19,425       | 22,726,779    |
| California Statewide Communities Development Authority, RB, Kaiser Permanente, Series A, 5.00%, 4/01/42            | 19,070       | 22,019,366    |
|  |              | 61,724,817    |
| <b>Transportation 3.3%</b>   |              |               |
| City of Los Angeles California Department of Airports, RB, Senior Revenue, Series A, AMT, 5.00%, 5/15/40           | 5,500        | 6,379,780     |
| City of Los Angeles California Department of Airports, Series D, AMT, 5.00%, 5/15/41                               | 13,331       | 15,452,469    |
|  |              | 21,832,249    |
| <b>Utilities 11.1%</b>   |              |               |
| City of Los Angeles California Wastewater System, RB, Green Bonds, Series A, 5.00%, 6/01/44                        | 13,790       | 16,478,085    |
| County of San Diego California Water Authority Financing Corp., COP, Refunding, Series A (AGM):                    |              |               |
| 5.00%, 5/01/18 (b)   | 2,778        | 3,006,629     |
| 5.00%, 5/01/33   | 13,962       | 15,112,077    |
| County of San Mateo California Community College District, GO, Series A, 5.00%, 9/01/45                            | 17,615       | 21,035,295    |
| East Bay California Municipal Utility District Water System Revenue, RB, Series C, 5.00%, 6/01/44                  | 11,000       | 13,073,280    |



Schedule of Investments (continued)

BlackRock MuniHoldings California Quality Fund, Inc. (MUC)

| Municipal Bonds Transferred to   | Par           | Value          |
|--|---------------|----------------|
|  | (000)         |                |
| <b>Tender Option Bond Trusts (e)</b>   |               |                |
| <b>California (continued)</b>  |               |                |
| Utilities (continued)  |               |                |
| Rancho Water District Financing Authority, Refunding RB, Series A (AGM), 5.00%, 8/01/34          | \$ 5,008      | \$ 5,463,881   |
|  |               | 74,169,247     |
| <b>Total Municipal Bonds Transferred to</b>  |               |                |
| <b>Tender Option Bond Trusts 57.3%</b>   |               | 382,770,462    |
| <b>Total Long-Term Investments</b>   |               |                |
| <b>(Cost \$994,889,487) 161.6%</b>   |               | 1,078,770,533  |
| <b>Short-Term Securities</b>   | <b>Shares</b> | <b>Value</b>   |
| BIF California Municipal Money Fund, 0.00% (f)(g)  | 6,488,003     | \$ 6,488,003   |
| <b>Total Short-Term Securities</b>   |               |                |
| <b>(Cost \$6,488,003) 1.0%</b>   |               | 6,488,003      |
| <b>Total Investments</b>   |               |                |
| <b>(Cost \$1,001,377,490*) 162.6%</b>  |               | 1,085,258,536  |
| <b>Other Assets Less Liabilities 0.9%</b>  |               | 5,877,203      |
| <b>Liability for TOB Trust Certificates, Including Interest Expense and Fees Payable (25.4)%</b> |               | (169,781,060)  |
| <b>VMTP Shares, at Liquidation Value (38.1)%</b>   |               | (254,000,000)  |
| <b>Net Assets Applicable to Common Shares 100.0%</b>   |               | \$ 667,354,679 |

\* As of period end, gross unrealized appreciation and depreciation based on cost for federal income tax purposes were as follows:

|                               |                |
|-------------------------------|----------------|
| Tax cost                      | \$ 832,231,092 |
| Gross unrealized appreciation | \$ 83,893,271  |
| Gross unrealized depreciation | (564,556)      |
| Net unrealized appreciation   | \$ 83,328,715  |

Notes to Schedule of Investments

- (a) When-issued security.
- (b) U.S. Government securities, held in escrow, are used to pay interest on this security, as well as to retire the bond in full at the date indicated, typically at a premium to par.
- (c) Variable rate security. Rate as of period end.
- (d) Zero-coupon bond.

Edgar Filing: BLACKROCK MUNIHOLDINGS CALIFORNIA QUALITY FUND, INC. - Form N-Q

(e) Represent bonds transferred to a TOB Trust in exchange of cash and residual certificates received by the Fund. These bonds serve as collateral in a secured borrowing.

(f) During the period ended April 30, 2016, investments in issuers considered to be affiliates of the Fund for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

| <b>Affiliate</b>                    | <b>Shares Held<br/>at July 31,<br/>2015</b> | <b>Net<br/>Activity</b> | <b>Shares Held<br/>at April 30,<br/>2016</b> | <b>Income</b> |
|-------------------------------------|---|-------------------------|--|---------------|
| BIF California Municipal Money Fund | 505,447                                     | 5,982,556               | 6,488,003                                    | \$ 9          |

(g) Current yield as of period end.

For Fund compliance purposes, the Fund's sector classifications refer to any one or more of the sector sub-classifications used by one or more widely recognized market indexes or rating group indexes, and/or as defined by the investment advisor. These definitions may not apply for purposes of this report, which may combine such sector sub-classifications for reporting ease.

## Schedule of Investments (continued)

BlackRock MuniHoldings California Quality Fund, Inc. (MUC)

## Derivative Financial Instruments Outstanding as of Period End

## Futures Contracts

| Contracts<br>Short | Issue                      | Expiration | Notional<br>Value | Unrealized<br>Appreciation |
|--------------------|----------------------------|------------|-------------------|----------------------------|
| (29)               | 5-Year U.S. Treasury Note  | June 2016  | \$ 3,506,508      | \$ 12,198                  |
| (96)               | 10-Year U.S. Treasury Note | June 2016  | \$12,486,000      | 65,915                     |
| (33)               | Long U.S. Treasury Bond    | June 2016  | \$ 5,389,312      | 80,330                     |
| (12)               | Ultra U.S. Treasury Bond   | June 2016  | \$ 2,056,125      | 34,294                     |
| <b>Total</b>       |                            |            |                   | \$ 192,737                 |

## Portfolio Abbreviations

|              |   |            |                                    |              |   |
|--------------|---|------------|------------------------------------|--------------|---|
| <b>AGC</b>   | Assured Guarantee Corp.                 | <b>ARB</b> | Airport Revenue Bonds              | <b>GO</b>    | General Obligation Bonds                |
| <b>AGM</b>   | Assured Guaranty Municipal Corp.        | <b>BAM</b> | Build America Mutual Assurance Co. | <b>LRB</b>   | Lease Revenue Bonds                     |
| <b>AMBAC</b> | American Municipal Bond Assurance Corp. | <b>CAB</b> | Capital Appreciation Bonds         | <b>NPFGC</b> | National Public Finance Guarantee Corp. |
| <b>AMT</b>   | Alternative Minimum Tax (subject to)    | <b>COP</b> | Certificates of Participation      | <b>RB</b>    | Revenue Bonds                           |

BLACKROCK MUNIHOLDINGS CALIFORNIA QUALITY FUND, INC.

APRIL 30, 2016

7

## Schedule of Investments (continued)

BlackRock MuniHoldings California Quality Fund, Inc. (MUC)

**Fair Value Hierarchy as of Period End**

Various inputs are used in determining the fair value of investments and derivative financial instruments. These inputs to valuation techniques are categorized into a fair value hierarchy consisting of three broad levels for financial reporting purposes as follows:

Level 1 unadjusted price quotations in active markets/exchanges for identical assets or liabilities that Fund has the ability to access

Level 2 other observable inputs (including, but not limited to, quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates) or other market-corroborated inputs)

Level 3 unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available (including Fund's own assumptions used in determining the fair value of investments and derivative financial instruments)

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3. The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the fair value hierarchy classification is determined based on the lowest level input that is significant to the fair value measurement in its entirety. The significant unobservable inputs used by the Global Valuation Committee in determining the price for Fair Valued Investments are typically categorized as level 3.

Changes in valuation techniques may result in transfers into or out of an assigned level within the hierarchy. In accordance with the Fund's policy, transfers between different levels of the fair value hierarchy are deemed to have occurred as of the beginning of the reporting period. The categorization of a value determined for investments and derivative financial instruments is based on the pricing transparency of the investments and derivative financial instruments and is not necessarily an indication of the risks associated with investing in those securities. For information about the Fund's policy regarding valuation of investments, refer to the Fund's most recent financial statements as contained in its semi-annual report.

The following tables summarize the Fund's investments and derivative financial instruments categorized in the disclosure hierarchy:

|                                    | Level 1      | Level 2          | Level 3 | Total            |
|------------------------------------|--------------|------------------|---------|------------------|
| <b>Assets:</b>                     |              |                  |         |                  |
| Investments:                       |              |                  |         |                  |
| Long-Term Investments <sup>1</sup> |              | \$ 1,078,770,533 |         | \$ 1,078,770,533 |
| Short-Term Securities              | \$ 6,488,003 |                  |         | 6,488,003        |
| <b>Total Investments</b>           | \$ 6,488,003 | \$ 1,078,770,533 |         | \$ 1,085,258,536 |

|   | Level 1    | Level 2 | Level 3 | Total      |
|---|------------|---------|---------|------------|
| Derivative Financial Instruments <sup>2</sup> |            |         |         |            |
| <b>Assets:</b>                                |            |         |         |            |
| Interest rate contracts                       | \$ 192,737 |         |         | \$ 192,737 |

<sup>1</sup> See above Schedule of Investments for values in each sector.

<sup>2</sup> Derivative financial instruments are futures contracts. Futures contracts are valued at the unrealized appreciation (depreciation) on the instrument.



## Schedule of Investments (concluded)

BlackRock MuniHoldings California Quality Fund, Inc. (MUC)

The Fund may hold assets and/or liabilities in which the fair value approximates the carrying amount for financial reporting purposes. As of period end, such assets and/or liabilities are categorized within the disclosure hierarchy as follows:

|  | Level 1    | Level 2          | Level 3 | Total            |
|--|------------|------------------|---------|------------------|
| <b>Assets:</b>                               |            |                  |         |                  |
| Cash pledged for financial futures contracts | \$ 455,500 |                  |         | \$ 455,500       |
| <b>Liabilities:</b>                          |            |                  |         |                  |
| Bank overdraft                               |            | \$ (275,027)     |         | (275,027)        |
| TOB Trust Certificates                       |            | (169,698,729)    |         | (169,698,729)    |
| VMTP Shares                                  |            | (254,000,000)    |         | (254,000,000)    |
| <b>Total</b>                                 | \$ 455,500 | \$ (423,973,756) |         | \$ (423,518,256) |

During the period ended April 30, 2016, there were no transfers between levels.

BLACKROCK MUNIHOLDINGS CALIFORNIA QUALITY FUND, INC.

APRIL 30, 2016

9



Item 2 Controls and Procedures

- 2(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")) are effective as of a date within 90 days of the filing of this report based on the evaluation of these controls and procedures required by Rule 30a-3(b) under the 1940 Act and Rule 13a-15(b) under the Securities Exchange Act of 1934, as amended.
- 2(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) 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

Certifications Attached hereto

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.

BlackRock MuniHoldings California Quality Fund, Inc.

By: /s/ John M. Perlowski  
John M. Perlowski  
Chief Executive Officer (principal executive officer) of  
BlackRock MuniHoldings California Quality Fund, Inc.

Date: June 22, 2016

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/ John M. Perlowski  
John M. Perlowski  
Chief Executive Officer (principal executive officer) of  
BlackRock MuniHoldings California Quality Fund, Inc.

Date: June 22, 2016

By: /s/ Neal J. Andrews  
Neal J. Andrews  
Chief Financial Officer (principal financial officer) of  
BlackRock MuniHoldings California Quality Fund, Inc.

Date: June 22, 2016