

BLACKROCK CALIFORNIA MUNICIPAL INCOME TRUST

Form N-Q

December 21, 2012

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 811-10331

Name of Fund: BlackRock California Municipal Income Trust (BFZ)

Fund Address: 100 Bellevue Parkway, Wilmington, DE 19809

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

Municipal Income Trust, 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: 07/31/2013

Date of reporting period: 10/31/2012

Item 1 Schedule of Investments

## Schedule of Investments October 31, 2012 (Unaudited)

BlackRock California Municipal Income Trust (BFZ)

(Percentages shown are based on Net Assets)

|  | Par          |              |
|--|--------------|--------------|
|  | (000)        | Value        |
| <b>Municipal Bonds</b>   |              |              |
| <b>California 94.0%</b>  |              |              |
| <b>Corporate 0.1%</b>  |              |              |
| City of Chula Vista California, Refunding RB, San Diego Gas & Electric,  |              |              |
| Series A, 5.88%, 2/15/34   | \$ 680       | \$ 802,216   |
| <b>County/City/Special District/School District 34.2%</b>  |              |              |
| Butte-Glenn Community College District, GO, Election of 2002, Series C, 5.50%, 8/01/30   | 8,425        | 9,899,796    |
| California State Public Works Board, RB, Various Capital Projects,<br>Sub-Series I-1, 6.63%, 11/01/34                                | 7,950        | 9,763,077    |
| Cerritos Community College District, GO, Election of 2004, Series C,<br>5.25%, 8/01/31   | 3,000        | 3,462,210    |
| City of San Jose California Hotel Tax, RB, Convention Center Expansion & Renovation Project:<br>6.13%, 5/01/31                       | 500          | 600,670      |
| 6.50%, 5/01/36   | 1,210        | 1,455,170    |
| 6.50%, 5/01/42   | 2,225        | 2,672,225    |
| County of Kern California, COP, Capital Improvements Projects, Series A (AGC), 6.00%, 8/01/35  | 2,000        | 2,343,240    |
| County of Los Angeles California Public Works Financing Authority, Refunding RB, Multiple Capital<br>Projects II, 5.00%, 8/01/42 (a) | 4,640        | 5,137,733    |
| Evergreen Elementary School District, GO, Election of 2006, Series B (AGC), 5.13%, 8/01/33   | 2,500        | 2,840,300    |
| Grossmont Healthcare District, GO, Election of 2006, Series B:<br>6.00%, 7/15/34   | 2,235        | 2,747,173    |
| 6.13%, 7/15/40   | 2,000        | 2,460,540    |
| Long Beach Unified School District California, GO, Refunding, Election of 2008, Series A, 5.75%, 8/01/33                             | 4,135        | 4,913,910    |
| Los Alamitos Unified School District California, GO, School Facilities Improvement District No. 1, 5.50%,<br>8/01/33                 | 5,735        | 6,641,876    |
| Los Angeles Municipal Improvement Corp., Refunding RB, Real Property, Series B (AGC), 5.50%, 4/01/30                                 | 4,975        | 5,692,793    |
| Modesto Irrigation District, COP, Capital Improvements, Series A:<br>5.75%, 10/01/29   | 3,000        | 3,449,880    |
| 5.75%, 10/01/34  | 180          | 203,643      |
| Norwalk-La Mirada Unified School District California, GO, CAB, Refunding, Election of 2002, Series E<br>(AGC), 5.05%, 8/01/38 (b)    | 12,870       | 3,558,941    |
| Oak Grove School District California, GO, Election of 2008, Series A, 5.50%, 8/01/33   | 6,000        | 7,017,960    |
|  | <b>Par</b>   |              |
|  | <b>(000)</b> | <b>Value</b> |
| <b>Municipal Bonds</b>   |              |              |
| <b>California (continued)</b>  |              |              |
| <b>County/City/Special District/School District</b>  |              |              |
| <b>(continued)</b>   |              |              |
| Orange County Water District, COP, Refunding, 5.25%, 8/15/34   | \$ 2,000     | \$ 2,359,160 |
| Pico Rivera Public Financing Authority, RB, 5.75%, 9/01/39   | 2,000        | 2,263,500    |
| Pittsburg Unified School District, GO, Election of 2006, Series B (AGC), 5.50%, 8/01/34  | 2,000        | 2,282,580    |
| Sacramento Area Flood Control Agency, Special Assessment Bonds, Consolidated Capital Assessment<br>District, 5.25%, 10/01/32         | 3,000        | 3,455,340    |
| San Diego Community College District California, GO, Election of 2002, 5.25%, 8/01/33  | 1,500        | 1,812,615    |
| San Diego Regional Building Authority California, RB, County Operations Center & Annex, Series A,<br>5.38%, 2/01/36                  | 6,500        | 7,337,980    |
| San Jose Financing Authority, Refunding RB, Civic Center Project, Series B (AMBAC), 5.00%, 6/01/37                                   | 6,000        | 6,019,320    |
| San Leandro Unified School District California, GO, Election of 2010, Series A, 5.75%, 8/01/41                                       | 3,060        | 3,653,824    |

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|   |        |            |
|---|--------|------------|
| Santa Ana Unified School District, GO, Election of 2008, Series A:  |        |            |
| 5.50%, 8/01/30  | 6,455  | 7,370,706  |
| 5.13%, 8/01/33  | 10,000 | 11,064,100 |
| Santa Clara County Financing Authority, Refunding LRB, Series L, 5.25%, 5/15/36   | 21,000 | 23,394,420 |
| Snowline Joint Unified School District, COP, Refunding, Refining Project (AGC), 5.75%, 9/01/38  | 2,250  | 2,599,537  |
| Torrance Unified School District California, GO, Election of 2008, Measure Z, 6.00%, 8/01/33  | 4,000  | 4,790,240  |
| Tustin Unified School District, GO, Election of 2008, Series B, 5.25%, 8/01/31  | 3,445  | 4,106,406  |
| West Contra Costa Unified School District, GO, Election of 2010, Series A (AGM), 5.25%, 8/01/32   | 4,760  | 5,590,620  |
| Westminster Redevelopment Agency California, Tax Allocation Bonds, Subordinate, Commercial Redevelopment Project No. 1 (AGC), 6.25%, 11/01/39 | 7,750  | 9,420,667  |
| William S. Hart Union High School District, GO, CAB, Refunding, Series B (AGM) (b):   |        |            |
| 4.97%, 8/01/34  | 11,150 | 3,833,147  |

BLACKROCK CALIFORNIA MUNICIPAL INCOME TRUST

OCTOBER 31, 2012

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## Schedule of Investments (continued)

BlackRock California Municipal Income Trust (BFZ)

(Percentages shown are based on Net Assets)

| Municipal Bonds   | Par<br>(000)         | Value        |
|---|----------------------|--------------|
| <b>California (continued)</b>   |                      |              |
| <b>County/City/Special District/School District</b>   |                      |              |
| <b>(concluded)</b>  |                      |              |
| William S. Hart Union High School District, GO, CAB, Refunding, Series B (AGM) (b) (concluded):<br>5.02%, 8/01/35                     | \$ 9,800             | \$ 3,171,084 |
|   |                      | 179,386,383  |
| <b>Education 5.2%</b>   |                      |              |
| California Educational Facilities Authority, Refunding RB, San Francisco University, 6.13%, 10/01/36                                  | 6,280                | 7,707,319    |
| California Municipal Finance Authority, RB, Emerson College, 5.75%, 1/01/33   | 2,500                | 2,918,500    |
| University of California, RB, Series O, 5.38%, 5/15/34  | 460                  | 544,493      |
| University of California, Refunding RB, Limited Project, Series G, 5.00%, 5/15/37   | 13,840               | 16,133,703   |
|   |                      | 27,304,015   |
| <b>Health 18.1%</b>   |                      |              |
| ABAG Finance Authority for Nonprofit Corps, Refunding RB, Sharp Healthcare:<br>6.38%, 8/01/34   | 3,055                | 3,309,634    |
| 6.25%, 8/01/39  | 3,775                | 4,473,828    |
| Series A, 6.00%, 8/01/30  | 2,275                | 2,790,811    |
| California Health Facilities Financing Authority, RB:<br>Adventist Health System West, Series A, 5.75%, 9/01/39                       | 6,655                | 7,675,677    |
| Catholic Healthcare West, Series J, 5.63%, 7/01/32  | 7,000                | 7,659,330    |
| Children's Hospital, Series A, 5.25%, 11/01/41  | 2,685                | 2,988,083    |
| Sutter Health, Series A, 5.25%, 11/15/46  | 9,320                | 10,178,745   |
| Sutter Health, Series B, 6.00%, 8/15/42   | 6,015                | 7,227,383    |
| California Health Facilities Financing Authority, Refunding RB:<br>Catholic Healthcare West, Series A, 6.00%, 7/01/29                 | 1,000                | 1,192,330    |
| Catholic Healthcare West, Series A, 6.00%, 7/01/34  | 4,400                | 5,215,364    |
| Catholic Healthcare West, Series A, 6.00%, 7/01/39  | 3,050                | 3,607,082    |
| Providence Health, 6.50%, 10/01/18 (c)  | 25                   | 32,851       |
| Providence Health, 6.50%, 10/01/38  | 4,090                | 4,867,959    |
|   | <b>Par<br/>(000)</b> | <b>Value</b> |
| <b>Municipal Bonds</b>  |                      |              |
| <b>California (continued)</b>   |                      |              |
| <b>Health (concluded)</b>   |                      |              |
| California Statewide Communities Development Authority, RB, Series A:<br>Health Facility Memorial Health Services, 5.50%, 4/01/13 (c) | \$ 7,000             | \$ 7,154,420 |
| Kaiser Permanente, 5.50%, 11/01/32  | 11,090               | 11,090,000   |
| Kaiser Permanente, 5.00%, 4/01/42   | 6,000                | 6,645,480    |
| California Statewide Communities Development Authority, Refunding RB, Catholic Healthcare West:<br>Series B, 5.50%, 7/01/30           | 2,960                | 3,319,610    |
| Series E, 5.50%, 7/01/31  | 4,965                | 5,522,123    |
|   |                      | 94,950,710   |
| <b>State 8.1%</b>   |                      |              |

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|   |       |            |
|---|-------|------------|
| California State Public Works Board, RB:                                    |       |            |
| Department of Education, Riverside Campus Project, Series B, 6.50%, 4/01/34 | 9,000 | 10,831,770 |
| Various Capital Projects, Sub-Series I-1, 6.38%, 11/01/34                   | 5,025 | 6,081,556  |
| State of California, GO, Various Purpose:                                   |       |            |
| 6.00%, 3/01/33  | 5,080 | 6,298,997  |
| 6.50%, 4/01/33  | 5,985 | 7,525,300  |
| 6.00%, 4/01/38  | 9,860 | 11,848,663 |
|   |       | 42,586,286 |

### Transportation 10.0%

|  |       |           |
|--|-------|-----------|
| City of Los Angeles Department of Airports, Refunding RB:                        |       |           |
| Los Angeles International Airport, Sub-Series C, 5.25%, 5/15/38                  | 1,455 | 1,605,287 |
| Series A, 5.00%, 5/15/34   | 6,000 | 6,730,320 |
| City of San Jose California, Refunding ARB, California Airport, Series A-1, AMT: |       |           |
| 5.75%, 3/01/34   | 2,275 | 2,631,424 |
| 6.25%, 3/01/34   | 2,650 | 3,185,406 |
| County of Orange California, ARB, Series B, 5.75%, 7/01/34                       | 8,000 | 9,017,920 |
| County of Sacramento California, ARB:  |       |           |
| PFC/Grant, Sub-Series D, 6.00%, 7/01/35  | 3,000 | 3,465,660 |
| Senior Series B, 5.75%, 7/01/39  | 1,850 | 2,109,093 |
| Los Angeles Harbor Department, RB, Series B, 5.25%, 8/01/34                      | 5,530 | 6,454,008 |
| San Francisco City & County Airports Commission, RB, Series E, 6.00%, 5/01/39    | 6,750 | 7,981,537 |

BLACKROCK CALIFORNIA MUNICIPAL INCOME TRUST

OCTOBER 31, 2012

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## Schedule of Investments (continued)

BlackRock California Municipal Income Trust (BFZ)

(Percentages shown are based on Net Assets)

| Municipal Bonds   | Par<br>(000)         | Value              |
|---|----------------------|--------------------|
| <b>California (continued)</b>   |                      |                    |
| <b>Transportation (concluded)</b>   |                      |                    |
| San Joaquin County Transportation Authority, Refunding RB, Limited Tax, Measure K, Series A:<br>6.00%, 3/01/36                                    | \$ 2,880             | \$ 3,531,802       |
| 5.50%, 3/01/41  | 5,000                | 5,911,350          |
|   |                      | 52,623,807         |
| <b>Utilities 18.3%</b>  |                      |                    |
| Anaheim Public Financing Authority, RB, Anaheim Electric System Distribution Facilities:<br>5.25%, 10/01/39                                       | 1,500                | 1,701,240          |
| Series A, 5.38%, 10/01/36   | 7,690                | 9,064,434          |
| California Infrastructure & Economic Development Bank, RB, California Independent System Operator,<br>Series A, 6.25%, 2/01/39                    | 5,500                | 6,019,200          |
| Calleguas-Las Virgenes Public Financing Authority California, RB, Calleguas Municipal Water District<br>Project, Series A (NPFGC), 5.13%, 7/01/32 | 4,000                | 4,355,320          |
| City of Chula Vista California, Refunding RB, San Diego Gas & Electric:<br>Series D, 5.88%, 1/01/34   | 2,500                | 2,949,325          |
| Series E, 5.88%, 1/01/34  | 6,500                | 7,668,245          |
| City of Los Angeles California Wastewater System, Refunding RB:<br>Series A, 5.00%, 6/01/39   | 2,000                | 2,237,300          |
| Sub-Series A, 5.00%, 6/01/32  | 4,000                | 4,606,240          |
| City of Petaluma California Wastewater, Refunding RB, 6.00%, 5/01/36  | 5,625                | 6,892,312          |
| City of San Francisco Public Utilities Commission, Refunding RB, Series A (NPFGC), 5.00%, 11/01/12 (c)  | 4,000                | 4,000,000          |
| Dublin-San Ramon Services District, Refunding RB, 6.00%, 8/01/41  | 2,425                | 2,957,021          |
| Los Angeles Department of Water & Power, RB:<br>Power System, Sub-Series A-1, 5.25%, 7/01/38  | 9,000                | 10,496,430         |
| Series A, 5.38%, 7/01/34  | 3,050                | 3,580,487          |
| Series B, 5.00%, 7/01/43  | 5,000                | 5,788,050          |
| Los Angeles Department of Water & Power, Refunding RB, Power System:<br>Series A, 5.25%, 7/01/39  | 4,000                | 4,717,240          |
| Sub-Series A-2, 5.00%, 7/01/30  | 2,200                | 2,260,852          |
| San Diego County Water Authority, COP, Refunding, Series A (NPFGC), 5.00%, 5/01/32  | 1,850                | 1,869,795          |
| San Diego Public Facilities Financing Authority, Refunding RB:<br>Senior Series A, 5.25%, 5/15/34   | 9,520                | 10,947,619         |
|   | <b>Par<br/>(000)</b> | <b>Value</b>       |
| <b>Municipal Bonds</b>  |                      |                    |
| <b>California (concluded)</b>   |                      |                    |
| <b>Utilities (concluded)</b>  |                      |                    |
| San Diego Public Facilities Financing Authority, Refunding RB (concluded):<br>Series A, 5.25%, 8/01/38  | \$ 3,390             | \$ 3,820,462       |
|   |                      | 95,931,572         |
| <b>Total Municipal Bonds in California</b>  |                      | <b>493,584,989</b> |
| <b>Multi-State 1.6%</b>   |                      |                    |
| <b>Housing 1.6%</b>   |                      |                    |
| Centerline Equity Issuer Trust (d)(e):  |                      |                    |

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|                 |       |           |
|-----------------|-------|-----------|
| 7.20%, 11/15/14 | 3,500 | 3,855,705 |
| 5.75%, 5/15/15  | 500   | 546,585   |
| 6.00%, 5/15/15  | 1,500 | 1,647,915 |
| 6.00%, 5/15/19  | 1,000 | 1,187,430 |
| 6.30%, 5/15/19  | 1,000 | 1,203,210 |

**Total Municipal Bonds in Multi-State** **8,440,845**

**Total Municipal Bonds 95.6%** **502,025,834**

**Municipal Bonds Transferred to**

**Tender Option Bond (TOB) Trusts (f)**

**California 67.0%**

**County/City/Special District/School District 25.6%**

|  |        |            |
|--|--------|------------|
| El Dorado Union High School District, GO, Election of 2008, 5.00%, 8/01/35                                       | 5,020  | 5,639,317  |
| Los Angeles Community College District California, GO:<br>Election of 2001, Series A (AGM), 5.00%, 8/01/32       | 8,000  | 9,099,040  |
| Election of 2003, Series F-1, 5.00%, 8/01/33   | 5,000  | 5,728,350  |
| Election of 2008, Series C, 5.25%, 8/01/39 (g)   | 12,900 | 15,581,394 |
| Los Angeles Community College District California, GO, Refunding, Election of 2008, Series A,<br>6.00%, 8/01/33  | 20,131 | 25,423,356 |
| Los Angeles Unified School District California, GO, Series I, 5.00%, 1/01/34                                     | 5,000  | 5,662,950  |
| Mount San Antonio Community College District California, GO, Election of 2001, Series C (AGM),<br>5.00%, 9/01/31 | 10,770 | 11,637,416 |
| Ohlone Community College District, GO, Series B (AGM), 5.00%, 8/01/30  | 12,499 | 14,079,288 |
| San Bernardino Community College District California, GO, Election of 2002, Series C (AGM), 5.00%,<br>8/01/31    | 2,000  | 2,218,160  |

BLACKROCK CALIFORNIA MUNICIPAL INCOME TRUST

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## Schedule of Investments (continued)

## BlackRock California Municipal Income Trust (BFZ)

(Percentages shown are based on Net Assets)

| Municipal Bonds Transferred to   | Par          |               |
|--|--------------|---------------|
| Tender Option Bond (TOB) Trusts (f)  | (000)        | Value         |
| <b>California (continued)</b>  |              |               |
| <b>County/City/Special District/School District</b>  |              |               |
| <b>(concluded)</b>   |              |               |
| San Diego Community College District California, GO:<br>Election of 2002, 5.25%, 8/01/33   | \$ 10,484    | \$ 12,669,639 |
| Election of 2006 (AGM), 5.00%, 8/01/32   | 9,000        | 10,262,700    |
| San Jose Unified School District Santa Clara County California, GO, Election of 2002, Series D,<br>5.00%, 8/01/32                          | 14,625       | 16,529,457    |
|  |              | 134,531,067   |
| <b>Education 11.1%</b>   |              |               |
| California Educational Facilities Authority, RB, University of Southern California, Series B, 5.25%,<br>10/01/39 (g)                       | 10,395       | 12,173,065    |
| Grossmont Union High School District, GO, Election of 2004, 5.00%, 8/01/33   | 13,095       | 14,511,957    |
| Mount Diablo California Unified School District, GO, Election of 2002, 5.00%, 6/01/31  | 4,000        | 4,265,000     |
| San Mateo County Community College District, GO, Election of 2005, Series B, 5.00%, 9/01/31  | 8,630        | 9,768,125     |
| University of California, RB:<br>Limited Project, Series D (AGM), 5.00%, 5/15/41   | 2,600        | 2,888,366     |
| Series O, 5.75%, 5/15/34   | 12,300       | 14,771,972    |
|  |              | 58,378,485    |
| <b>Transportation 1.1%</b>   |              |               |
| City of Los Angeles California Department of Airports, Refunding RB, Los Angeles International<br>Airport, Senior Series A, 5.00%, 5/15/40 | 4,999        | 5,651,285     |
| <b>Utilities 29.2%</b>   |              |               |
| California State Department of Water Resources, Refunding RB, Central Valley Project, Series AE,<br>5.00%, 12/01/29                        | 7,000        | 8,177,260     |
| City of Napa California Water System, RB (AMBAC), 5.00%, 5/01/35   | 3,000        | 3,252,120     |
| East Bay Municipal Utility District, RB, Sub-Series A (NPFGC), 5.00%, 6/01/35  | 3,000        | 3,274,650     |
| Eastern Municipal Water District, COP, Series H, 5.00%, 7/01/33  | 18,002       | 19,895,377    |
| Los Angeles Department of Water & Power, RB:<br>Power System, Sub-Series A-1 (AMBAC), 5.00%, 7/01/37                                       | 15,998       | 18,083,864    |
|  | <b>Par</b>   |               |
| <b>Municipal Bonds Transferred to</b>  |              |               |
| <b>Tender Option Bond (TOB) Trusts (f)</b>   | <b>(000)</b> | <b>Value</b>  |
| <b>California (concluded)</b>  |              |               |
| <b>Utilities (concluded)</b>   |              |               |
| Los Angeles Department of Water & Power, RB (concluded):<br>Water System, Sub-Series A-2 (AGM), 5.00%, 7/01/35                             | \$ 2,000     | \$ 2,257,580  |
| Metropolitan Water District of Southern California, RB, Series A, 5.00%, 7/01/37   | 11,180       | 12,822,901    |
| Orange County Sanitation District, COP, Series B (AGM), 5.00%, 2/01/37   | 14,700       | 16,417,842    |
| Orange County Water District, COP, Refunding, 5.00%, 8/15/39   | 10,480       | 12,014,586    |
| San Diego County Water Authority, COP, Refunding, Series 2008-A (AGM), 5.00%, 5/01/33  | 14,290       | 15,866,901    |
|  | 12,457       | 14,222,106    |

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|   |        |             |
|---|--------|-------------|
| San Diego Public Facilities Financing Authority, Refunding RB, Senior Series A, 5.25%,<br>5/15/39                               |        |             |
| San Francisco City & County Public Utilities Commission, RB, Water System Improvement<br>Project, Sub-Series A, 5.00%, 11/01/37 | 12,698 | 14,634,267  |
| San Francisco City & County Public Utilities Commission, Refunding RB, Senior Series A,<br>5.00%, 11/01/35                      | 10,625 | 12,560,403  |
|   |        | 153,479,857 |

**Municipal Bonds Transferred to**

**Tender Option Bond (TOB) Trusts 67.0%** 352,040,694

**Total Long-Term Investments**

**(Cost \$759,715,665) 162.6%** 854,066,528

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**Short-Term Securities**

**Shares**

BIF California Municipal Money Fund, 0.00% (h)(i) 1,490,934 1,490,934

**Total Short-Term Securities**

**(Cost \$1,490,934) 0.3%** 1,490,934

**Total Investments**

**(Cost \$761,206,599\*) 162.9%** 855,557,462

**Other Assets Less Liabilities 0.6%** 3,119,727

**Liability for TOB Trust Certificates, Including Interest Expense and Fees Payable (30.9%)** (162,330,563)

**VMTP Shares, at Liquidation Value (32.6%)** (171,300,000)

**Net Assets Applicable to Common Shares 100.0%** \$ 525,046,626

Schedule of Investments (continued)

BlackRock California Municipal Income Trust (BFZ)

\* As of October 31, 2012, gross unrealized appreciation and gross unrealized depreciation based on cost for federal income tax purposes were as follows:

|                               |                |
|-------------------------------|----------------|
| Tax cost                      | \$ 599,813,734 |
| Gross unrealized appreciation | \$ 94,350,863  |
| Gross unrealized depreciation | (840,647)      |
| Net unrealized appreciation   | \$ 93,510,216  |

(a) When-issued security. Unsettled when-issued transactions were as follows:

| Counterparty   | Value        | Unrealized<br>Appreciation |
|----------------|--------------|----------------------------|
| Citigroup Inc. | \$ 5,137,733 | \$ 12,064                  |

- (b) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.
- (c) US 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.
- (d) Security represents a beneficial interest in a trust. The collateral deposited into the trust is federally tax-exempt revenue bonds issued by various state or local governments, or their respective agencies or authorities. The security is subject to remarketing prior to its stated maturity date.
- (e) Security exempt from registration pursuant to Rule 144A under the Securities Act of 1933, as amended. These securities may be resold in transactions exempt from registration to qualified institutional investors.
- (f) Securities represent bonds transferred to a TOB in exchange for which the Trust acquired residual interest certificates. These securities serve as collateral in a financing transaction.
- (g) All or a portion of security is subject to a recourse agreement which may require the Trust to pay the Liquidity Provider in the event there is a shortfall between the TOB Trust Certificates and proceeds received from the sale of the security contributed to the TOB trust. In the case of a shortfall, the aggregate maximum potential amount the Trust could ultimately be required to pay under the agreements is \$13,380,000.
- (h) Investments in issuers considered to be an affiliate of the Trust during the period ended October 31, 2012, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

| Affiliate                           | Shares<br>Held at<br>July 31,<br>2012 | Net<br>Activity | Shares<br>Held at<br>October<br>31, 2012 | Income |
|-------------------------------------|---------------------------------------|-----------------|--|--------|
| BIF California Municipal Money Fund | 7,953,278                             | (6,462,344)     | 1,490,934                                | \$     |

(i) Represents the current yield as of report date.

**Portfolio Abbreviations**

To simplify the listings of portfolio holdings in the Schedule of Investments, the names and descriptions of many of the securities have been abbreviated according to the following list:

|       |   |
|-------|---|
| AGC   | Assured Guaranty Corp.                  |
| AGM   | Assured Guaranty Municipal Corp.        |
| AMBAC | American Municipal Bond Assurance Corp. |
| AMT   | Alternative Minimum Tax (subject to)    |
| ARB   | Airport Revenue Bonds                   |

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|       |   |
|-------|---|
| CAB   | Capital Appreciation Bonds              |
| COP   | Certificates of Participation           |
| GO    | General Obligation Bonds                |
| LRB   | Lease Revenue Bonds                     |
| NPFGC | National Public Finance Guarantee Corp. |
| RB    | Revenue Bonds                           |

For Trust compliance purposes, the Trust'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 Trust management. These definitions may not apply for purposes of this report, which may combine such sector sub-classifications for reporting ease.

BLACKROCK CALIFORNIA MUNICIPAL INCOME TRUST

OCTOBER 31, 2012

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## Schedule of Investments (continued)

BlackRock California Municipal Income Trust (BFZ)

Fair Value Measurements - Various inputs are used in determining the fair value of investments. These inputs to valuation techniques are categorized into a disclosure hierarchy consisting of three broad levels for financial reporting purposes as follows:

Level 1 unadjusted price quotations in active markets/exchanges for identical assets and liabilities that the Trust 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 the Trust's own assumptions used in determining the fair value of investments)

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 level in the fair value hierarchy within which the fair value measurement falls in its entirety is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

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

The following table summarizes the Trust's investments categorized in the disclosure hierarchy as of October 31, 2012:

|                                    | Level 1      | Level 2        | Level 3 | Total          |
|------------------------------------|--------------|----------------|---------|----------------|
| <b>Assets:</b>                     |              |                |         |                |
| Investments:                       |              |                |         |                |
| Long-Term Investments <sup>1</sup> |              | \$ 854,066,528 |         | \$ 854,066,528 |
| Short-Term Securities              | \$ 1,490,934 |                |         | 1,490,934      |
| Total                              | \$ 1,490,934 | \$ 854,066,528 |         | \$ 855,557,462 |

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

Certain of the Trust's liabilities are held at carrying amount, which approximates fair value for financial reporting purposes. As of October 31, 2012, such liabilities are categorized within the disclosure hierarchy as follows:

|                        | Level 1 | Level 2          | Level 3 | Total            |
|------------------------|---------|------------------|---------|------------------|
| <b>Liabilities:</b>    |         |                  |         |                  |
| Bank overdraft         |         | \$ (398,032)     |         | \$ (398,032)     |
| TOB trust certificates |         | (162,233,512)    |         | (162,233,512)    |
| VMTP Shares            |         | (171,300,000)    |         | (171,300,000)    |
| <b>Total</b>           |         | \$ (333,931,544) |         | \$ (333,931,544) |

There were no transfers between levels during the period ended October 31, 2012.



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

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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 California Municipal Income Trust

By: /s/ John M. Perlowski  
John M. Perlowski  
Chief Executive Officer (principal executive officer)  
of BlackRock California Municipal Income Trust  
Date: December 21, 2012

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 California Municipal Income Trust  
Date: December 21, 2012

By: /s/ Neal J. Andrews  
Neal J. Andrews  
Chief Financial Officer (principal financial officer)  
of BlackRock California Municipal Income Trust  
Date: December 21, 2012