

DWS MUNICIPAL INCOME TRUST
Form N-Q
October 30, 2006
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 811-05655

DWS Municipal Income Trust

(Exact name of registrant as specified in charter)

222 South Riverside Plaza

Chicago, IL 60606

(Address of principal executive offices) (Zip code)

Paul Schubert

345 Park Avenue

New York, NY 10154

(Name and address of agent for service)

Registrant's telephone number, including area code: (212) 454-7190

Date of fiscal year end: 11/30

Date of reporting period: 08/31/06

Form N-Q is to be used by registered 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 270.30b1-4). 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

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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

Investment Portfolio

as of August 31, 2006 (Unaudited)

DWS Municipal Income Trust

| | Principal | Value (\$) |
|---|-------------|-------------------|
| | Amount (\$) | |
| Municipal Bonds and Notes 154.6% | | |
| Alabama 5.2% | | |
| Alabama, Port Authority Revenue, Docks Department, AMT, 6.3%, 10/1/2021 (a) | 8,250,000 | 8,431,583 |
| Camden, AL, Industrial Development Board Revenue, AMT, Series B, 6.375%, 12/1/2024 | 1,000,000 | 1,092,830 |
| Huntsville, AL, Hospital & Healthcare Revenue, Health Care Authority, Series A, 5.75%, 6/1/2031 | 5,500,000 | 5,860,690 |
| Huntsville, AL, Water & Sewer Revenue, AMT, 5.75%, 10/1/2011 (a) | 8,560,000 | 9,154,834 |
| | | 24,539,937 |
| Arizona 1.7% | | |
| Arizona, Hospital & Healthcare Revenue, Health Facilities Authority, Catholic Healthcare West, Series A, 6.625%, 7/1/2020 | 7,000,000 | 7,735,630 |
| California 17.1% | | |
| California, Electric Revenue, Department of Water Resources and Power Supply, Series A, 5.375%, 5/1/2022 | 7,350,000 | 8,098,891 |
| California, Special Assessment Revenue, Golden State Tobacco Securitization Corp.: | | |
| Series B, 5.625%, 6/1/2038 | 7,080,000 | 7,880,323 |
| Series 2003-A-1, 6.75%, 6/1/2039 | 11,730,000 | 13,243,405 |
| California, State General Obligation: | | |
| Series 2, 5.0%, 9/1/2019 | 4,385,000 | 4,699,361 |
| 5.0%, 12/1/2020 | 4,600,000 | 4,861,280 |
| 5.0%, 3/1/2022 (a) | 3,500,000 | 3,720,290 |
| 5.0%, 6/1/2028 | 3,000,000 | 3,139,350 |
| 5.125%, 4/1/2024 | 4,400,000 | 4,683,888 |
| 5.25%, 12/1/2021 | 10,215,000 | 11,075,716 |
| 5.25%, 4/1/2030 | 6,250,000 | 6,552,750 |
| California, State Public Works Board, Lease Revenue, Department of Mental Health, Series A, 5.5%, 6/1/2021 | 5,000,000 | 5,525,050 |
| California, State Revenue Lease, Public Works Board, Department of Corrections, Series C, 5.5%, 6/1/2021 | 2,500,000 | 2,747,850 |
| Mount Diablo, CA, Unified School District, Election of 2002, 5.0%, 6/1/2029 (a) | 2,000,000 | 2,110,780 |

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| Palmdale, CA, Water District Revenue, Certificates of Participation, 5.0%, 10/1/2034 (a) | 2,000,000 | 2,080,820 |
| | | 80,419,754 |
| Colorado 6.9% | | |
| Colorado, Hospital & Healthcare Revenue, Portercare Adventist Health Project, 6.5%, 11/15/2031 | 1,000,000 | 1,139,160 |
| Colorado, Hospital & Healthcare Revenue, Poudre Valley Health Facilities: | | |
| Series A, 5.5%, 12/1/2017 (a) | 6,145,000 | 6,547,620 |
| Series A, 6.0%, 12/1/2015 (a) | 5,705,000 | 6,165,451 |
| Series A, 6.0%, 12/1/2016 (a) | 2,000,000 | 2,161,420 |
| Colorado, Single Family Housing Revenue, AMT, Series B2, 7.25%, 10/1/2031 | 260,000 | 266,087 |
| Colorado, Transportation/Tolls Revenue, Anticipation Note, Prerefunded, 6.0%, 6/15/2011 (a) | 10,000,000 | 10,888,600 |
| Denver, CO, Airport Revenue, AMT, Series A, 6.0%, 11/15/2014 (a) | 5,000,000 | 5,405,550 |
| | | 32,573,888 |
| District of Columbia 8.7% | | |
| District of Columbia, Ballpark Revenue, Series B-1, 5.0%, 2/1/2017 (a) | 2,275,000 | 2,456,227 |
| District of Columbia, Core City General Obligation, Series B, 5.5%, 6/1/2011 (a) | 20,000,000 | 21,596,200 |
| District of Columbia, ETM, Series A, Prerefunded, 5.5%, 6/1/2014 (a) | 640,000 | 676,122 |
| District of Columbia, General Obligation: | | |
| Prerefunded, Series A-2005, 5.25%, 6/1/2027 (a) | 2,585,000 | 2,682,997 |
| Series A-2005, 5.25%, 6/1/2027 (a) | 8,245,000 | 8,506,696 |

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|---|------------|-------------------|
| District of Columbia, Howard University Revenue, Series A, 5.0%, 10/1/2023 (a) | 2,810,000 | 2,982,450 |
| District of Columbia, State General Obligation, Series A, 5.5%, 6/1/2014 (a) | 1,860,000 | 1,958,989 |
| | | 40,859,681 |
| Florida 6.5% | | |
| Dade County, FL, Airport Revenue, AMT, Series A, 5.75%, 10/1/2026 (a) | 13,000,000 | 13,278,850 |
| Dade County, FL, Special Assessment Revenue: | | |
| Series B, Prerefunded, Zero Coupon, 10/1/2022 (a) | 7,735,000 | 3,068,784 |
| Series B, Prerefunded, Zero Coupon, 10/1/2024 (a) | 16,955,000 | 5,924,586 |
| Hillsborough County, FL, Industrial Development Revenue, University Community Hospital Project, Series A, 5.625%, 8/15/2023 | 1,000,000 | 1,044,490 |
| Miami-Dade County, FL, Transportation/Tolls Revenue, Expressway Authority: | | |
| 6.0%, 7/1/2013 (a) | 1,665,000 | 1,817,247 |
| 6.0%, 7/1/2014 (a) | 1,000,000 | 1,091,440 |
| Orange County, FL, Health Facilities Authority Revenue, Orlando Regional Healthcare System, 5.75%, 12/1/2032 | 1,000,000 | 1,109,160 |
| Palm Beach County, FL, School District Revenue Lease, Series A, Prerefunded, 5.75%, 8/1/2017 (a) | 2,850,000 | 3,097,209 |
| | | 30,431,766 |
| Georgia 1.9% | | |
| Atlanta, GA, General Obligation, Series A, 5.0%, 12/1/2021 (a) | 4,455,000 | 4,773,221 |
| Atlanta, GA, Water & Wastewater Revenue, Water Utilities Improvements, 5.0%, 11/1/2024 (a) | 4,000,000 | 4,214,840 |
| | | 8,988,061 |
| Hawaii 7.3% | | |
| Hawaii, Airport System Revenue, AMT, Series B, 6.5%, 7/1/2013 (a) | 8,800,000 | 9,684,312 |
| Hawaii, Electric Revenue, Department of Budget & Finance, AMT: | | |
| Series D, 6.15%, 1/1/2020 (a) | 2,195,000 | 2,329,861 |
| Series A, 6.2%, 5/1/2026 (a) | 13,200,000 | 13,357,740 |
| Hawaii, Port Authority Revenue, AMT: | | |
| Series A, 6.0%, 7/1/2011 (a) | 2,950,000 | 3,203,198 |
| Series A, 6.0%, 7/1/2012 (a) | 3,135,000 | 3,381,944 |
| Hawaii, State General Obligation, Series CT, Prerefunded, 5.75%, 9/1/2014 (a) | 2,310,000 | 2,472,693 |
| | | 34,429,748 |
| Idaho 0.0% | | |
| Idaho, Single Family Housing Revenue, AMT, Series C2, 6.9%, 7/1/2025 | 115,000 | 115,163 |
| Illinois 9.6% | | |
| Chicago, IL, Airport Revenue, O Hare International Airport, AMT, 5.5%, 1/1/2014 (a) | 10,000,000 | 10,538,000 |
| Chicago, IL, Core City General Obligation: | | |
| Series A, Prerefunded, 6.0%, 1/1/2014 (a) | 2,085,000 | 2,280,364 |
| Series A, Prerefunded, 6.125%, 1/1/2015 (a) | 2,000,000 | 2,195,880 |
| Series A, 6.125%, 1/1/2016 (a) | 2,000,000 | 2,195,880 |
| Chicago, IL, O Hare International Airport Revenue, Series A, 5.0%, 1/1/2019 (a) | 4,000,000 | 4,271,840 |
| Chicago, IL, Other General Obligation, Neighborhoods Alive 21 Project: | | |
| Series A, Prerefunded, 6.0%, 1/1/2015 (a) | 1,000,000 | 1,093,700 |
| Series A, 6.0%, 1/1/2017 (a) | 1,000,000 | 1,093,700 |
| Chicago, IL, Water Revenue, Series A, 5.0%, 11/1/2020 (a) | 3,615,000 | 3,878,425 |
| Illinois, Development Finance Authority, Hospital Revenue, Adventist Health System, Sunbelt Obligation, 5.5%, 11/15/2020 | 2,500,000 | 2,665,150 |
| Illinois, Health Facilities Authority Revenue, Children s Memorial Hospital, Series A, Prerefunded, 5.625%, 8/15/2019 (a) | 4,000,000 | 4,262,280 |
| Illinois, Higher Education Revenue, DePaul University, Educational Facilities Authority: | | |
| Prerefunded, 5.625%, 10/1/2013 (a) | 2,695,000 | 2,923,186 |
| Prerefunded, 5.625%, 10/1/2015 (a) | 1,710,000 | 1,854,786 |
| Illinois, Sales & Special Tax Revenue, Metropolitan Pier & Exposition Authority: | | |
| Series A, ETM, 5.5%, 6/15/2017 (a) | 1,955,000 | 2,227,273 |
| Series A, 5.5%, 6/15/2017 (a) | 1,555,000 | 1,761,457 |
| Will County, IL, Industrial Development Revenue, Mobil Oil Refining Corp. Project, AMT, 6.0%, 2/1/2027 | 2,000,000 | 2,036,860 |

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|--|------------|-------------------|
| | | 45,278,781 |
| Indiana 1.2% | | |
| Indiana, Hospital & Healthcare Revenue, Health Facilities Authority, 5.5%, 11/1/2031 | 5,000,000 | 5,471,200 |
| Kansas 0.7% | | |
| Overland Park, KS, Industrial Development Revenue, Series A, 7.375%, 1/1/2032 | 3,000,000 | 3,288,030 |
| Kentucky 1.4% | | |
| Kentucky, Hospital & Healthcare Revenue, Economic Development Finance Authority, Norton Healthcare, Inc.: | | |
| Series A, 6.5%, 10/1/2020 | 2,000,000 | 2,170,120 |
| Series A, 6.625%, 10/1/2028 | 4,000,000 | 4,353,240 |
| | | 6,523,360 |
| Louisiana 0.5% | | |
| Louisiana, Electric Revenue, 5.75%, 1/1/2013 (a) | 2,000,000 | 2,216,980 |
| Maine 1.4% | | |
| Maine, Hospital & Healthcare Revenue, Series D, 5.7%, 7/1/2013 (a) | 375,000 | 375,559 |
| Maine, Transportation/Tolls Revenue, 5.0%, 7/1/2017 (a) | 6,165,000 | 6,352,601 |
| | | 6,728,160 |
| Maryland 0.6% | | |
| Maryland, Hospital & Healthcare Revenue, University of Maryland Medical System, 6.75%, 7/1/2030 | 2,500,000 | 2,802,700 |
| Massachusetts 3.5% | | |
| Massachusetts, Airport Revenue, AMT, Series B, 5.5%, 7/1/2009 (a) | 8,000,000 | 8,375,840 |
| Massachusetts, Airport Revenue, U.S. Airways, Inc. Project, AMT, Series A, 5.875%, 9/1/2023 (a) | 5,000,000 | 5,108,500 |
| Massachusetts, Port Authority Revenue, AMT, Series B, 5.5%, 7/1/2015 (a) | 3,000,000 | 3,158,430 |
| | | 16,642,770 |
| Michigan 2.2% | | |
| Chippewa County, MI, Hospital & Healthcare Revenue, Chippewa County War Memorial, Series B, 5.625%, 11/1/2014 | 1,500,000 | 1,505,895 |
| Michigan, Industrial Development Revenue: | | |
| 5.5%, 6/1/2018 (a) | 3,425,000 | 3,649,680 |
| 5.75%, 6/1/2016 (a) | 4,640,000 | 4,984,706 |
| | | 10,140,281 |
| Minnesota 1.6% | | |
| Minneapolis & St. Paul, MN, Airport Revenue, AMT, Series B, 6.0%, 1/1/2012 (a) | 4,395,000 | 4,716,406 |
| Minneapolis & St. Paul, MN, Port Authority Revenue, AMT, Series B, 5.625%, 1/1/2015 (a) | 2,500,000 | 2,630,875 |
| | | 7,347,281 |
| Missouri 0.1% | | |
| Missouri, Hospital & Healthcare Revenue, Lake of the Ozarks General Hospital, 6.5%, 2/15/2021 | 365,000 | 372,873 |
| Nevada 2.4% | | |
| Las Vegas, NV, Core City General Obligation, Water & Sewer Revenue, 5.375%, 4/1/2014 (a) | 2,705,000 | 2,904,331 |
| Nevada, State General Obligation, Capital Improvement and Cultural Affairs Project, Series A, 5.5%, 2/1/2014 | 2,575,000 | 2,712,943 |
| Washoe County, NV, School District General Obligation, Prerefunded, 5.75%, 6/1/2014 (a) | 5,450,000 | 5,810,354 |
| | | 11,427,628 |
| New Jersey 11.0% | | |
| New Jersey, Casino Reinvestment Development Authority, Hotel Room Fee Revenue, 5.0%, 1/1/2025 (a) | 4,000,000 | 4,246,840 |
| New Jersey, Economic Development Authority Revenue, Cigarette Tax, 5.75%, 6/15/2034 | 1,090,000 | 1,161,351 |
| New Jersey, Hospital & Healthcare Revenue, General Hospital Center at Passaic, ETM, 6.75%, 7/1/2019 (a) | 5,000,000 | 6,134,700 |
| New Jersey, Industrial Development Revenue, American Water Co., Inc. Project, AMT, Series A, 6.875%, 11/1/2034 (a) | 10,775,000 | 10,831,677 |

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| New Jersey, Industrial Development Revenue, Economic Development Authority, Harrogate, Inc., Series A, 5.875%, 12/1/2026 | 1,400,000 | 1,442,126 |
| New Jersey, Resource Recovery Revenue, Tobacco Settlement Financing Corp., 5.75%, 6/1/2032 | 2,280,000 | 2,395,710 |
| New Jersey, State Agency General Obligation Lease, Transportation Trust Fund Authority, Series A, Prerefunded, 5.75%, 6/15/2017 | 10,000,000 | 10,768,100 |
| New Jersey, Transportation/Tolls Revenue, Economic Development Authority, Series A, Prerefunded, 5.75%, 5/1/2013 (a) | 6,000,000 | 6,335,040 |
| New Jersey, Transportation/Tolls Revenue, Garden State Parkway Project, Prerefunded, 5.6%, 1/1/2017 (a) | 8,000,000 | 8,580,720 |
| | | 51,896,264 |
| New York 13.3% | | |
| Nassau County, NY, Hospital & Healthcare, 6.0%, 8/1/2015 (a) | 3,390,000 | 3,684,015 |
| New York, State Agency General Obligation Lease, Higher Education Revenue, Dormitory Authority, Bronx-Lebanon, Hospital Center, Series E, 5.2%, 2/15/2016 | 1,770,000 | 1,825,542 |
| New York, State Agency General Obligation Lease, Higher Education Revenue, Dormitory Authority, City University, Series A, 5.625%, 7/1/2016 | 1,500,000 | 1,674,870 |
| New York, State Agency General Obligation Lease, Higher Education Revenue, Dormitory Authority, Jamaica Hospital, Series F, 5.2%, 2/15/2016 | 1,000,000 | 1,031,380 |
| New York, State General Obligation, Tobacco Settlement Financing Corp.: Series A-1, 5.25%, 6/1/2022 (a) | 10,000,000 | 10,717,100 |
| Series A-1, 5.5%, 6/1/2019 | 1,900,000 | 2,066,421 |
| New York, Tobacco Settlement Financing Corp., Series B-1C, 5.5%, 6/1/2019 | 5,500,000 | 5,981,745 |
| New York, Transportation/Tolls Revenue: Prerefunded, 5.625%, 4/1/2013 (a) | 5,000,000 | 5,306,450 |
| Prerefunded, 5.75%, 4/1/2014 (a) | 2,000,000 | 2,128,700 |
| New York, NY, Core City General Obligation, Series F, 5.25%, 8/1/2015 | 5,000,000 | 5,313,000 |
| New York, NY, General Obligation: Series G, 5.0%, 12/1/2023 | 2,000,000 | 2,099,780 |
| Series D, 5.0%, 11/1/2024 | 7,500,000 | 7,860,525 |
| Series F, Prerefunded, 5.25%, 8/1/2015 (a) | 50,000 | 51,682 |
| Series F, 5.25%, 8/1/2015 (a) | 4,950,000 | 5,096,916 |
| New York, NY, Sales & Special Tax Revenue, Transitional Finance Authority: Series B, Prerefunded, 6.125%, 11/15/2014 | 1,645,000 | 1,807,312 |
| Series B, 6.125%, 11/15/2014 | 355,000 | 390,028 |
| Series B, Prerefunded, 6.125%, 11/15/2015 | 3,000,000 | 3,296,010 |
| Niagara Falls, NY, School District General Obligation, 5.6%, 6/15/2014 (a) | 1,180,000 | 1,332,574 |
| Rensselaer County, NY, Industrial Development Agency, Civic Facility Revenue, Hawthorne Ridge Project, 3.36% *, 10/30/2035, Citizens Bank NA (b) | 1,000,000 | 1,000,000 |
| | | 62,664,050 |
| North Carolina 1.7% | | |
| Charlotte, NC, Airport Revenue, AMT: Series B, 5.75%, 7/1/2013 (a) | 2,480,000 | 2,615,805 |
| Series B, 5.875%, 7/1/2014 (a) | 1,140,000 | 1,206,211 |
| North Carolina, Electric Revenue, Municipal Power Agency: Series C, 5.375%, 1/1/2017 | 1,000,000 | 1,062,690 |
| Series B, 6.375%, 1/1/2013 | 3,000,000 | 3,238,080 |
| | | 8,122,786 |
| North Dakota 0.8% | | |
| Grand Forks, ND, Hospital & Healthcare Revenue, Altru Health Care System, 7.125%, 8/15/2024 | 3,400,000 | 3,770,566 |
| Ohio 2.0% | | |
| Green Springs, OH, Senior Care Revenue, St. Francis Health Care Center Project, Series A, 7.125%, 5/15/2025 | 6,000,000 | 5,780,580 |
| Ohio, Higher Education Revenue, University of Findlay Project: 6.125%, 9/1/2016 | 2,000,000 | 2,020,000 |
| 6.15%, 9/1/2011 | 1,635,000 | 1,651,350 |
| | | 9,451,930 |
| Oregon 3.3% | | |

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| Oregon, Other Revenue Lease, Department of Administrative Services: | | |
| Series A, 5.5%, 5/1/2010 (a) | 2,245,000 | 2,296,074 |
| Series A, 5.6%, 5/1/2011 (a) | 2,120,000 | 2,169,608 |
| Oregon, State General Obligation Lease, Department of Administrative Services, Series A, Prerefunded, 6.25%, 5/1/2017 (a) | 1,000,000 | 1,099,050 |
| Oregon, State Revenue Lease, Department of Administrative Services, Series A, Prerefunded, 6.25%, 5/1/2018 (a) | 1,000,000 | 1,099,050 |
| Portland, OR, Special Assessment Revenue, Downtown Waterfront: | | |
| Series A, 5.625%, 6/15/2015 (a) | 3,100,000 | 3,336,530 |
| Series A, 5.75%, 6/15/2018 (a) | 2,225,000 | 2,406,226 |
| Series A, 5.75%, 6/15/2019 (a) | 2,820,000 | 3,049,689 |
| | | 15,456,227 |
| Pennsylvania 2.3% | | |
| Pennsylvania, Hospital & Healthcare Revenue, Economic Development Financing Authority, UPMC Health System, Series A, 6.0%, 1/15/2031 | 2,570,000 | 2,801,711 |
| Philadelphia, PA, Gas Works Revenue, Series A-1, 5.0%, 9/1/2029 (a) | 5,000,000 | 5,205,600 |
| Philadelphia, PA, Municipal Authority Revenue, Series B, 5.25%, 11/15/2018 (a) | 2,500,000 | 2,683,450 |
| | | 10,690,761 |
| Puerto Rico 0.2% | | |
| Commonwealth of Puerto Rico, Public Improvement, Series A, 5.25%, 7/1/2030 | 1,000,000 | 1,061,860 |
| Rhode Island 0.9% | | |
| Rhode Island, Special Assessment Revenue, Series A, 6.125%, 6/1/2032 | 4,000,000 | 4,242,600 |
| South Carolina 2.7% | | |
| Greenwood County, SC, Hospital & Healthcare Revenue, South Carolina Memorial Hospital, 5.5%, 10/1/2031 | 1,500,000 | 1,569,840 |
| South Carolina, Hospital & Healthcare Revenue, Jobs Economic Development Authority, Palmetto Health Alliance, Series A, Prerefunded, 7.375%, 12/15/2021 | 2,000,000 | 2,320,180 |
| South Carolina, Jobs Economic Development Authority, Hospital Facilities Revenue, Palmetto Health: | | |
| Series C, Prerefunded, 7.0%, 8/1/2030 | 4,825,000 | 5,743,921 |
| Series C, 7.0%, 8/1/2030 | 595,000 | 691,176 |
| South Carolina, Tobacco Settlement Revenue Management Authority, Series B, 6.0%, 5/15/2022 | 2,000,000 | 2,117,580 |
| | | 12,442,697 |
| Tennessee 4.9% | | |
| Clarksville, TN, Natural Gas Acquisition Corp., Gas Revenue, 5.0%, 12/15/2021 | 2,000,000 | 2,154,400 |
| Memphis-Shelby County, TN, Airport Revenue, AMT, Series D, 6.25%, 3/1/2017 (a) | 4,690,000 | 5,074,721 |
| Shelby County, TN, Health Educational & Housing Facility Board, Hospital Revenue, Methodist Health Care: | | |
| EMT, 6.5%, 9/1/2026 | 2,615,000 | 3,013,029 |
| Prerefunded, 6.5%, 9/1/2026 | 4,385,000 | 5,052,441 |
| Tennessee, Energy Acquisition Corp., Gas Revenue, Series A, 5.25%, 9/1/2019 | 7,000,000 | 7,726,880 |
| | | 23,021,471 |
| Texas 18.5% | | |
| Austin, TX, Sales & Special Tax Revenue, Hotel Occupancy Tax: | | |
| 6.0%, 11/15/2013 (a) | 3,190,000 | 3,422,136 |
| 6.0%, 11/15/2015 (a) | 3,480,000 | 3,733,240 |
| 6.0%, 11/15/2016 (a) | 3,625,000 | 3,888,791 |
| Brazos River, TX, Pollution Control Revenue, Brazos River Authority, Texas Utilities Electric Co. Project, AMT, Series C, 5.75% *, 5/1/2036 | 3,965,000 | 4,212,138 |
| Dallas-Fort Worth, TX, Airport Revenue, International Airport, AMT, Series A, 5.875%, 11/1/2016 (a) | 6,500,000 | 7,055,490 |
| El Paso, TX, State General Obligation: | | |
| 5.875%, 8/15/2012 (a) | 1,000,000 | 1,022,010 |
| 5.875%, 8/15/2013 (a) | 1,570,000 | 1,604,556 |
| 5.875%, 8/15/2014 (a) | 1,665,000 | 1,701,647 |
| Granbury, TX, Independent School District, 5.0%, 8/1/2024 | 3,365,000 | 3,549,301 |

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| Harris County, TX, Hospital & Healthcare Revenue, Health Facilities Development Corp., Memorial Hermann Healthcare Systems, Series A, 6.375%, 6/1/2029 | 5,500,000 | 6,187,720 |
| Houston, TX, Airport Revenue, People Mover Project, AMT, Series A, 5.5%, 7/15/2017 (a) | 3,300,000 | 3,342,834 |
| Houston, TX, Port Authority Revenue, Airport Revenue, AMT, Series A, 5.875%, 7/1/2014 (a) | 3,960,000 | 4,219,023 |
| Red River, TX, School District Revenue Lease, St. Mark's School Project, 6.0%, 8/15/2019 | 5,390,000 | 5,767,785 |
| Socorro, TX, Independent School District, 5.0%, 8/15/2025 | 5,135,000 | 5,413,420 |
| Tarrant County, TX, Hospital & Healthcare Revenue, Health Facilities Development Corp., 6.7%, 11/15/2030 | 4,500,000 | 5,061,465 |
| Texas, Industrial Development Revenue, Waste Disposal Authority, AMT, Series A, 6.1%, 8/1/2024 | 2,000,000 | 2,155,380 |
| Texas, State General Obligation, College Student Loans, AMT, 5.0%, 8/1/2021 | 4,015,000 | 4,016,325 |
| Texas, State Turnpike Authority, Dallas Northway Revenue, 5.5%, 1/1/2015 (a) | 14,605,000 | 15,223,230 |
| Texas, White Settlement, Independent School District, 5.125%, 8/15/2026 | 5,035,000 | 5,359,455 |
| | | 86,935,946 |

Washington 5.8%

| | | |
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| Seattle, WA, Airport Revenue, AMT, Series B, 6.0%, 2/1/2013 (a) | 7,355,000 | 8,175,597 |
| Seattle, WA, Special Assessment Revenue, AMT: | | |
| Series B, 5.5%, 9/1/2011 (a) | 1,085,000 | 1,151,793 |
| Series B, 5.75%, 9/1/2013 (a) | 1,045,000 | 1,111,096 |
| Skagit County, WA, School District General Obligation, School District No. 1, Burlington Edison, 5.625%, 12/1/2014 (a) | 1,570,000 | 1,699,164 |
| Snohomish County, WA, Electric Revenue, Public Utility District No. 1, 5.375%, 12/1/2024 (a) | 3,000,000 | 3,190,860 |
| Washington, Electric Revenue, Energy Northwest Columbia Generating, Series B, 6.0%, 7/1/2018 (a) | 3,000,000 | 3,338,070 |
| Washington, Hospital & Healthcare Revenue, Group Health Coop of Puget Sound, 5.375%, 12/1/2017 (a) | 1,500,000 | 1,605,720 |
| Washington, State General Obligation: | | |
| Series A, 5.5%, 7/1/2013 | 2,000,000 | 2,103,320 |
| Series A, 5.5%, 7/1/2016 | 4,835,000 | 5,084,776 |
| | | 27,460,396 |

West Virginia 4.4%

| | | |
|--|-----------|-------------------|
| West Virginia, Hospital & Healthcare Revenue, Hospital Finance Authority, Charleston Medical Center: | | |
| Series A, 6.75%, 9/1/2022 | 2,355,000 | 2,600,815 |
| 6.75%, 9/1/2030 | 395,000 | 433,777 |
| West Virginia, Hospital Finance Authority, Charleston Medical Center: | | |
| Prerefunded, 6.75%, 9/1/2022 | 9,645,000 | 10,841,463 |
| Prerefunded, 6.75%, 9/1/2030 | 3,605,000 | 4,052,200 |
| West Virginia, Water & Sewer Revenue, Water Development Authority, Series B, 5.25%, 11/1/2023 (a) | 2,740,000 | 2,977,421 |
| | | 20,905,676 |

Wisconsin 2.3%

| | | |
|--|-------------|-------------------|
| Badge, WI, Tobacco Asset Securitization Corp., 6.125%, 6/1/2027 | 4,230,000 | 4,508,334 |
| Wisconsin, Hospital & Healthcare Revenue, Health & Education Facilities Authority, Aurora Health Care, Inc., Series A, 5.6%, 2/15/2029 | 6,000,000 | 6,222,900 |
| | | 10,731,234 |
| | % of | Value (\$) |

| | | |
|--|-------------------|----------------------|
| | Net Assets | |
| Total Investment Portfolio (Cost \$677,040,763) | 154.6 | 727,188,136 |
| Other Assets and Liabilities, Net | 1.7 | 8,207,104 |
| Preferred Shares, at Redemption Value | (56.3) | (265,000,000) |
| Net Assets Applicable to Common Shareholders | 100.0 | 470,395,240 |

For information on the Fund's policies regarding the valuation of investments and other significant accounting policies, please refer to the Fund's most recent semi-annual or annual financial statements.

* Variable rate demand notes are securities whose interest rates are reset periodically at market levels. These securities are often payable on demand and are shown at their current rates as of August 31, 2006.

(a) Bond is insured by one of these companies:

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| | <i>As a % of Total</i> |
|--------------------------------------|-----------------------------|
| Insurance Coverage | Investment Portfolio |
| Ambac Financial Group, Inc. | 17.2 |
| Financial Guaranty Insurance Company | 12.4 |
| Financial Security Assurance, Inc. | 15.7 |
| MBIA Corp. | 13.2 |

(b) Security incorporates a letter of credit from a major bank.

AMT: Subject to alternative minimum tax.

ETM: Bonds bearing the description ETM (escrow to maturity) are collateralized by US Treasury securities which are held in escrow and used to pay principal and interest on bonds so designated.

Prerefunded: Bonds which are prerefunded are collateralized by US Treasury securities which are held in escrow and are used to pay principal and interest on tax-exempt issues and to retire the bonds in full at the earliest refunding date.

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: DWS Municipal Income Trust

By: /s/Michael G. Clark
Michael G. Clark
President

Date: October 23, 2006

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.

Registrant: DWS Municipal Income Trust

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By: /s/Michael G. Clark
Michael G. Clark
President

Date: October 23, 2006

By: /s/Paul Schubert
Paul Schubert
Chief Financial Officer and Treasurer

Date: October 23, 2006