

BLACKROCK MUNICIPAL INCOME TRUST  
 Form 4  
 January 11, 2012

**FORM 4**

UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
 Washington, D.C. 20549

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
 CITIGROUP INC

2. Issuer Name and Ticker or Trading Symbol  
 BLACKROCK MUNICIPAL INCOME TRUST [BFK]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)  
 399 PARK AVENUE  
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)  
 01/05/2012

\_\_\_\_ Director  
 \_\_\_\_ Officer (give title below)  
 10% Owner  
 \_\_\_\_ Other (specify below)

NEW YORK, NY 10043

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

(City) (State) (Zip)

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |   |                              |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|---|------------------------------|
|                                 |                                      |  |                                | (A) or (D)  | Price   |  |   |   |                              |
|                                 |                                      |  |                                | Code  | V   | Amount   |   |   |                              |
| Auction Rate Preferred          | 01/05/2012                           |  | S <sup>(1)</sup>               | 4   | D   | \$ 22,418  | 1,777   | I | By Subsidiary <sup>(2)</sup> |
| Auction Rate Preferred          | 01/09/2012                           |  | J <sup>(3)</sup>               | 172   | D   | \$ 25,000  | 1,605   | I | By Subsidiary <sup>(2)</sup> |
| Auction Rate Preferred          | 01/10/2012                           |  | J <sup>(3)</sup>               | 429   | D   | \$ 25,000  | 1,176   | I | By Subsidiary <sup>(2)</sup> |
| Auction Rate                    | 01/11/2012                           |  | J <sup>(3)</sup>               | 230   | D   | \$ 25,000  | 946   | I | By Subsidiary                |

Preferred

(2)

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

**Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.**

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(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | 8. Price of Derivative Security (Instr. 5) | 9. Number of Derivative Securities Beneficially Owned (Instr. 3 and 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|--|
|  |  |                                      |  | Code                           | V (A) (D)   | Date Exercisable   | Expiration Date   | Title                                      | Amount or Number of Shares   |

## Reporting Owners

| Reporting Owner Name / Address                         | Relationships |           |         |       |
|--|---------------|-----------|---------|-------|
|  | Director      | 10% Owner | Officer | Other |
| CITIGROUP INC<br>399 PARK AVENUE<br>NEW YORK, NY 10043 |               | X         |         |       |

## Signatures

Citigroup Inc., By: /s/ Ali L. Karshan, Assistant Secretary 01/11/2012

\_\_Signature of Reporting Person

Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, see Instruction 4(b)(v).
- \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) The Reporting Person sold these Auction Preferred Shares ("Shares") pursuant to a settlement agreement with a customer in exchange for the share price noted in Box 4 of Table I.
- (2) The Shares reported in Table I represent Shares beneficially owned by Citigroup Global Markets Inc. ("CGMI"). Citigroup Financial Products Inc. ("CFP") is the sole stockholder of CGMI. Citigroup Global Markets Holdings Inc. ("CGMH") is the sole stockholder of CFP. Citigroup Inc. is the sole stockholder of CGMH.
- (3) These Shares were called for redemption by the issuer.

**Remarks:**

These Shares represent the Reporting Person's combined holdings in multiple series of auction preferred securities of the issue

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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