

Delaware Investments National Municipal Income Fund  
Form N-Q  
February 29, 2016

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:	811-07410
Exact name of registrant as specified in charter:	Delaware Investments <sup>®</sup> National Municipal Income Fund
Address of principal executive offices:	2005 Market Street Philadelphia, PA 19103
Name and address of agent for service:	David F. Connor, Esq. 2005 Market Street Philadelphia, PA 19103
Registrant's telephone number, including area code:	(800) 523-1918
Date of fiscal year end:	March 31
Date of reporting period:	December 31, 2015

---

Item 1. Schedule of Investments.

# Schedule of investments

Delaware Investments® National Municipal Income Fund  
December 31, 2015 (Unaudited)

	Principal Amount°	Value (U.S. \$)
<b>Municipal Bonds 139.74%</b>		
Corporate-Backed Revenue Bonds 14.17%		
Buckeye, Ohio Tobacco Settlement Financing Authority Asset-Backed -2 Series A-2 5.875% 6/1/47	1,600,000	\$ 1,391,520
Series A-2 6.50% 6/1/47	430,000	401,964
Gaston County, North Carolina Industrial Facilities & Pollution Control Financing Authority (Exempt Facilities-National Gypsum Project) 5.75% 8/1/35 (AMT)	290,000	290,531
Golden State, California Tobacco Securitization Corporate Settlement Revenue (Asset-Backed Senior Notes) Series A-1 5.75% 6/1/47	830,000	784,782
Harris County, Texas Industrial Development Corporation Solid Waste Disposal Revenue (Deer Park Refining Project) 5.00% 2/1/23	150,000	163,671
Illinois Railsplitter Tobacco Settlement Authority 6.25% 6/1/24	500,000	511,965
Louisiana Local Government Environmental Facilities & Community Development Authority (Westlake Chemical) Series A 6.50% 8/1/29 Series A-1 6.50% 11/1/35	645,000 255,000	764,041 302,690
Louisiana Public Facilities Authority (LA Pellets Inc. Project) 144A 7.75% 7/1/39 (AMT)#	240,000	241,927
M-S-R Energy Authority, California Gas Series C 7.00% 11/1/34	1,000,000	1,437,810
New Jersey Economic Development Authority		

Edgar Filing: Delaware Investments National Municipal Income Fund - Form N-Q

Special Facilities Revenue (Continental Airlines Project) 5.625% 11/15/30 (AMT)	225,000	254,763
New Jersey Economic Development Authority Special Facility Revenue (Continental Airlines Project) 5.25% 9/15/29 (AMT)	500,000	547,985
Ohio State Air Quality Development Authority Revenue (First Energy Generation) Series A 5.70% 8/1/20	260,000	290,672
Selma, Alabama Industrial Development Board (Zilkha Biomass Selma LLC Project) 144A 7.50% 5/1/25 (AMT)#	165,000	165,139
Shoals, Indiana (National Gypsum Project) 7.25% 11/1/43 (AMT)	310,000	347,575
Suffolk County, New York Tobacco Asset Securitization Series B 5.00% 6/1/32	750,000	828,187
Tobacco Settlement Financing Corporation, Louisiana Asset-Backed Note Series A 5.25% 5/15/35	460,000	515,761
Valparaiso, Indiana (Pratt Paper Project) 7.00% 1/1/44 (AMT)	240,000	294,785
		9,535,768
Education Revenue Bonds 24.64%		
Bowling Green, Ohio Student Housing Revenue CFP I (CFP I State University Project) 6.00% 6/1/45	260,000	280,360
California Statewide Communities Development Authority School Facility Revenue (Aspire Public Schools) 6.125% 7/1/46	625,000	682,356
California Statewide Communities Development Authority Student Housing Revenue (Irvine, LLC - UCI East Campus) 6.00% 5/15/23	470,000	513,442

(continues) NQ- OV9 [12/15] 2/16 (16088) 1

## Schedule of investments

Delaware Investments® National Municipal Income Fund (Unaudited)

	Principal Amount <sup>o</sup>	Value (U.S. \$)
<b>Municipal Bonds</b> (continued)		
Education Revenue Bonds (continued)		
East Hempfield Township, Pennsylvania Industrial Development Authority (Student Services Income - Student Housing Project) 5.00% 7/1/35	1,000,000	\$ 1,061,420
Health & Educational Facilities Authority of the State of Missouri (St. Louis College of Pharmacy Project) 5.25% 5/1/33 (Washington University) Series B 5.00% 11/15/30	500,000 600,000	556,140 699,246
Marietta, Georgia Development Authority Revenue (Life University Income Project) 7.00% 6/15/39	430,000	448,787
Maryland Health & Higher Educational Facilities Authority (Loyola University) Series A 5.00% 10/1/39	650,000	728,449
Maryland State Economic Development Student Housing Revenue (University of Maryland College Park Projects) 5.75% 6/1/33	370,000	399,004
Massachusetts State Health & Educational Facilities Authority Revenue (Harvard University) Series A 5.00% 12/15/29	600,000	691,872
Monroe County, New York Industrial Development Revenue (Nazareth College Rochester Project) 5.50% 10/1/41	495,000	541,545
Montgomery County, Pennsylvania Higher Education & Health Authority Revenue (Arcadia University) 5.25% 4/1/30	550,000	594,445
New Hope Cultural Education Facilities, Texas		

Edgar Filing: Delaware Investments National Municipal Income Fund - Form N-Q

(Chief-Collegiate Housing-Tarleton St.) 5.00% 4/1/34	1,000,000	1,054,180
New Jersey Economic Development Authority Revenue (MSU Student Housing Project) 5.875% 6/1/42	450,000	502,245
New York City, New York Trust For Cultural Resources (Whitney Museum of American Art) 5.00% 7/1/31	500,000	556,915
New York State Dormitory Authority (Columbia University) 5.00% 10/1/41	600,000	698,130
Oregon State Facilities Authority Revenue (Concordia University Project) Series A 144A 6.125% 9/1/30 #	135,000	144,158
Pennsylvania State Higher Educational Facilities Authority Revenue (Edinboro University Foundation) 5.80% 7/1/30 (University Properties - East Stroudsburg University) 5.25% 7/1/19	400,000	430,308
Philadelphia Authority for Industrial Development (1st Philadelphia Preparatory College) 7.25% 6/15/43	370,000	438,321
Phoenix, Arizona Industrial Development Authority Revenue (Rowan University Project) 5.00% 6/1/42	1,000,000	1,086,110
Pima County, Arizona Industrial Development Authority Education Revenue (Edkey Charter School Project) 6.00% 7/1/48	500,000	495,745

2 NQ- OV9 [12/15] 2/16 (16088)

Edgar Filing: Delaware Investments National Municipal Income Fund - Form N-Q

(Unaudited)

	Principal Amount <sup>o</sup>	Value (U.S. \$)
<b>Municipal Bonds</b> (continued)		
Education Revenue Bonds (continued)		
Private Colleges & Universities Authority Revenue, Georgia (Mercer University) Series A 5.00% 10/1/32	135,000	\$ 149,608
Swarthmore Borough Authority, Pennsylvania (Swarthmore College Project) 5.00% 9/15/32	490,000	578,367
Troy, New York Capital Resource Revenue (Rensselaer Polytechnic) Series A 5.125% 9/1/40	600,000	675,228
University of Arizona Series A 5.00% 6/1/39	500,000	554,320
University of California Series AI 5.00% 5/15/32	1,000,000	1,184,340
Wyoming Community Development Authority Student Housing Revenue (CHF-Wyoming LLC) 6.50% 7/1/43	250,000	283,930
		16,580,929
Electric Revenue Bonds 4.04%		
Imperial Irrigation District Electric System Revenue, California Series C 5.00% 11/1/28 Series C 5.00% 11/1/38	60,000 1,000,000	74,183 1,188,380
JEA Electric System Revenue, Florida Series A 5.00% 10/1/33	1,000,000	1,172,030
Long Island Power Authority, New York Series A 5.00% 9/1/44	250,000	282,603
		2,717,196
Healthcare Revenue Bonds 20.81%		
Alabama Special Care Facilities Financing Authority-Birmingham Alabama (Methodist Home for the Aging) 6.00% 6/1/50	500,000	511,615
Arizona Health Facilities Authority Revenue (Catholic Healthcare West) Series D 5.00% 7/1/28	500,000	546,735
Capital Trust Agency, Florida (Tuscan Gardens Senior Living Center) Series A 7.00% 4/1/49	375,000	376,793
Colorado Health Facilities Authority Revenue (Healthcare Facilities -		

Edgar Filing: Delaware Investments National Municipal Income Fund - Form N-Q

American Baptist) 8.00% 8/1/43	330,000	395,634
Hawaii Pacific Health Special Purpose Revenue Series A 5.50% 7/1/40	300,000	334,764
Housing & Redevelopment Authority of The City of St. Paul Minnesota (Healthpartners Obligation Group) 5.00% 7/1/29	1,000,000	1,173,740
Kentucky Economic Development Finance Authority (Rosedale Green Project) 5.75% 11/15/45	500,000	513,030
Koyukuk, Alaska Revenue (Tanana Chiefs Conference Health Care Facility Project) 7.75% 10/1/41	300,000	343,365
Louisiana Public Facilities Authority Revenue (Ochsner Clinic Foundation Project) 6.50% 5/15/37	105,000	125,405
Lycoming County, Pennsylvania Authority Health System Revenue (Susquehanna Health System Project) Series A 5.50% 7/1/28	500,000	543,145
Maine Health & Higher Educational Facilities Authority Revenue (Maine General Medical Center) 6.75% 7/1/41	300,000	341,163
Maricopa County, Arizona Industrial Development Authority Health Facilities Revenue (Catholic Healthcare West) Series A 6.00% 7/1/39	500,000	564,390

(continues) NQ- OV9 [12/15] 2/16 (16088) 3

## Schedule of investments

Delaware Investments® National Municipal Income Fund (Unaudited)

	Principal Amount <sup>o</sup>	Value (U.S. \$)
<b>Municipal Bonds</b> (continued)		
Healthcare Revenue Bonds (continued)		
Monroe County, Pennsylvania		
Hospital Authority Revenue (Pocono Medical Center)		
Series A 5.00% 1/1/41	500,000	\$ 539,570
Montgomery County, Pennsylvania Industrial Development Authority Revenue (Whitemarsh Continuing Care) 5.375% 1/1/50	705,000	711,888
Moon, Pennsylvania Industrial Development Authority (Baptist Homes Society Obligation) 6.125% 7/1/50	750,000	760,890
New Hampshire Health and Education Facilities Authority Revenue (Dartmouth - Hitchcock Medical Center) 6.00% 8/1/38	300,000	343,755
New Jersey Health Care Facilities Financing Authority Revenue (St. Peters University Hospital) 6.25% 7/1/35	300,000	325,176
New Mexico Hospital Equipment Loan Council Revenue (Presbyterian Healthcare) 5.00% 8/1/39	500,000	547,075
New York State Dormitory Authority Revenue Non State Supported Debt (Orange Regional Medical Center) 6.25% 12/1/37	500,000	545,335
Ohio State (Cleveland Clinic Health) Series A 5.50% 1/1/39	300,000	338,091
Orange County, Florida Health Facilities Authority Revenue (Mayflower Retirement Center) 5.00% 6/1/32	400,000	429,668
5.00% 6/1/36	250,000	267,650
5.125% 6/1/42	750,000	806,385
Oregon State Facilities Authority Revenue (Peacehealth Project)		



Edgar Filing: Delaware Investments National Municipal Income Fund - Form N-Q

Series A 5.00% 11/15/29	500,000	581,775
Palm Beach County Health Facilities Authority, Florida (Sinai Residences Boca Raton Project)		
7.25% 6/1/34	20,000	23,893
7.50% 6/1/49	105,000	125,916
West Virginia Hospital Finance Authority Revenue (Highland Hospital Obligation Group)		
9.125% 10/1/41	500,000	542,140
Westminster, Maryland (Lutheran Village Millers Grant Inc.) 6.00% 7/1/34	500,000	545,850
Yavapai County, Arizona Industrial Development Authority Revenue (Yavapai Regional Medical Center) Series A		
5.00% 8/1/28	720,000	798,912
<b>Housing Revenue Bond 0.70%</b>		<b>14,003,748</b>
California Municipal Finance Authority Mobile Home Park Revenue (Caritas Project) Series A		
6.40% 8/15/45	420,000	473,646
<b>Lease Revenue Bonds 9.18%</b>		<b>473,646</b>
California State Public Works Board Lease Revenue (Various Capital Projects) Series A 5.00% 4/1/37	1,000,000	1,138,200
Idaho State Building Authority Revenue (Health & Welfare Project) Series A 5.00% 9/1/24 (State Police) Series I		
5.00% 9/1/23	135,000	161,486
	760,000	902,295
Minnesota State General Revenue Appropriations Series B 5.00% 3/1/29	2,000,000	2,330,860
New Jersey Economic Development Authority Series WW 5.25% 6/15/30 (School Facilities Construction)		
5.00% 9/1/18	1,000,000	1,105,130
	25,000	26,603

4 NQ- OV9 [12/15] 2/16 (16088)

Edgar Filing: Delaware Investments National Municipal Income Fund - Form N-Q

(Unaudited)

	Principal Amount <sup>o</sup>	Value (U.S. \$)
<b>Municipal Bonds</b> (continued)		
Lease Revenue Bonds (continued)		
Public Finance Authority, Wisconsin Airport Facilities Revenue (AFCO Investors II Portfolio) 5.75% 10/1/31	500,000	\$ 508,755
		6,173,329
Local General Obligation Bonds 1.19%		
Chicago, Illinois Series A 5.50% 1/1/34	225,000	238,257
New York, New York Series A-1 5.25% 8/15/21 Series I-1 5.375% 4/1/36	250,000 250,000	277,070 281,570
		796,897
Pre-Refunded/Escrowed to Maturity Bonds 12.18%		
Atlanta, Georgia Water & Wastewater Revenue Series A 6.25% 11/1/39-19§	950,000	1,132,523
Bay Area, California Toll Authority Toll Bridge Revenue (San Francisco Bay Area) Series F1 5.00% 4/1/34-18§	1,000,000	1,091,580
Brevard County, Florida Health Facilities Authority Revenue (Health First Project) 7.00% 4/1/39-19§	350,000	415,681
Butler County, Pennsylvania Hospital Authority Revenue (Butler Health System Project) 7.125% 7/1/29-19§	450,000	542,407
California State Economic Recovery Series A 5.25% 7/1/21-19§ Series A 5.25% 7/1/21-19§	165,000 95,000	189,092 108,871
California Statewide Communities Development Authority Revenue (Statewide Inland Regional Center Project) 5.375% 12/1/37-17§	500,000	543,450
Gila County, Arizona Unified School District No. 10 (Payson School Improvement Project of 2006) Series A 5.25% 7/1/27-17 (AMBAC)§	500,000	533,615
Illinois Finance Authority Revenue (Silver Cross & Medical		

Edgar Filing: Delaware Investments National Municipal Income Fund - Form N-Q

Centers) 7.00% 8/15/44-19§	950,000	1,148,968
New Jersey Economic Development Authority (School Facilities Construction) 5.00% 9/1/18	75,000	82,842
New York City, New York Industrial Development Agency Civic Facility Revenue (YMCA of Greater New York Project) 5.00% 8/1/36-16§	595,000	611,041
North Texas Tollway Authority (Toll 2nd Tier) Series F 5.75% 1/1/38-18§	1,100,000	1,203,092
University Medical Center, Tucson, Arizona Hospital Revenue 6.50% 7/1/39-19§	500,000	591,035
<b>Special Tax Revenue Bonds 17.78%</b>		8,194,197
Anne Arundel County, Maryland Special Obligation Revenue (National Business Park - North Project) 6.10% 7/1/40	200,000	211,998
Brooklyn Arena Local Development, New York Pilot Revenue (Barclays Center Project) 6.25% 7/15/40 6.50% 7/15/30	940,000 300,000	1,069,758 346,761
Central Puget Sound, Washington Regional Transit Authority (Green Bond - Improvement) Series S-1 5.00% 11/1/35	750,000	896,647

(continues) NQ- OV9 [12/15] 2/16 (16088) 5

## Schedule of investments

Delaware Investments® National Municipal Income Fund (Unaudited)

	Principal Amount°	Value (U.S. \$)
<b>Municipal Bonds</b> (continued)		
Special Tax Revenue Bonds (continued)		
Guam Government Business Privilege Tax Revenue Series A 5.00% 1/1/22	775,000	\$ 897,768
Series B-1 5.00% 1/1/42	540,000	587,763
Massachusetts Bay Transportation Authority Senior Series A 5.25% 7/1/29	200,000	261,886
Miami-Dade County, Florida Special Obligation (Capital Appreciation & Income) Series B 5.00% 10/1/35 (NATL-RE)	1,000,000	1,003,530
Mosaic District, Virginia Community Development Authority Revenue Series A 6.875% 3/1/36	520,000	599,882
New Jersey Economic Development Authority Revenue 5.00% 6/15/28	200,000	213,192
5.00% 6/15/29 (School Facilities Construction) Series AA 5.50% 12/15/29	800,000	849,872
	900,000	983,529
New York State Dormitory Authority Series A 5.00% 3/15/33 (State Personal Income Tax Revenue-Education) Series A 5.00% 3/15/38	1,000,000	1,162,800
	570,000	634,473
Northampton County, Pennsylvania Industrial Development Authority Revenue (Route 33 Project) 7.00% 7/1/32	230,000	251,687
Peoria, Arizona Municipal Development Authority Sales Tax & Excise Shared Revenue (Senior Lien & Subordinate Lien) 5.00% 1/1/18	1,085,000	1,169,825
Regional Transportation District, Colorado Tax Revenue (Denver Transit Partners) 6.00% 1/15/41	500,000	563,700
Wyandotte County, Kansas		

Edgar Filing: Delaware Investments National Municipal Income Fund - Form N-Q

City, Kansas Unified Government Special Obligation Revenue (Capital Appreciation) Sales Tax Subordinate Lien 6.07% 6/1/21 ^ (Sales Tax - Vacation Village Project A) Series A 5.75% 9/1/32	30,000	22,428
	235,000	236,903
		11,964,402
<b>State General Obligation Bonds 3.64%</b>		
California State 5.25% 11/1/40 (Various Purposes)	320,000	373,786
5.00% 10/1/41	440,000	504,394
5.00% 10/1/44	440,000	509,098
6.00% 4/1/38	105,000	121,635
New York State Series A 5.00% 2/15/39	300,000	334,548
Oregon State Series K 5.00% 5/1/22	500,000	604,240
		2,447,701
<b>Transportation Revenue Bonds 25.88%</b>		
Atlanta, Georgia Department of Aviation Series B 5.00% 1/1/29	1,000,000	1,172,340
Central Texas Regional Mobility Authority Revenue Senior Lien 6.00% 1/1/41	520,000	596,612
Chicago, Illinois O Hare International Airport Revenue (General-Senior Lien) Series D 5.25% 1/1/34	1,000,000	1,152,300
Maryland State Economic Development Revenue (Transportation Facilities Project) Series A 5.75% 6/1/35	255,000	279,452
Metropolitan Transit Authority of Harris County, Texas Series A 5.00% 11/1/24	500,000	592,930
Metropolitan Transportation Authority, New York Series A 5.00% 11/15/41	500,000	574,535

6 NQ- OV9 [12/15] 2/16 (16088)

Edgar Filing: Delaware Investments National Municipal Income Fund - Form N-Q

(Unaudited)

	Principal Amount <sup>o</sup>	Value (U.S. \$)
<b>Municipal Bonds</b> (continued)		
Transportation Revenue Bonds (continued)		
Metropolitan Washington D.C. Airports Authority Dulles Toll Road Revenue (First Senior Lien) Series A 5.25% 10/1/44	245,000	\$ 272,636
New Jersey State Turnpike Authority Revenue Series A 5.00% 1/1/27	1,000,000	1,176,030
New Orleans, Louisiana Aviation Board Series B 5.00% 1/1/45 (AMT)	1,000,000	1,099,550
New York Liberty Development Revenue (1 World Trade Center Port Authority Construction) 5.00% 12/15/41	500,000	566,395
North Texas Tollway Authority Special Projects System Series A 5.00% 9/1/20	250,000	290,840
Oregon State Department of Transportation Series A 5.00% 11/15/26	1,000,000	1,218,210
Pennsylvania Turnpike Commission Series A-1 5.00% 12/1/43	500,000	554,180
Pennsylvania Turnpike Commission Subordinate (Special Motor License Foundation) 5.00% 12/1/22 Series B 5.00% 12/1/41	500,000 500,000	574,765 556,410
Port Authority of Allegheny County, Pennsylvania 5.75% 3/1/29	900,000	1,066,815
Port Authority of New York & New Jersey Special Project (JFK International Air Terminal) 6.00% 12/1/42 6.50% 12/1/28	230,000 500,000	269,576 502,505
St. Louis, Missouri Airport Revenue (Lambert St. Louis International) 5.00% 7/1/32 (AMT) Series A-1 6.625% 7/1/34	1,000,000 325,000	1,078,090 374,202
Texas Private Activity Bond Surface Transportation Corporate Senior Lien Revenue (LBJ Infrastructure) 7.00% 6/30/40	285,000	346,457

Edgar Filing: Delaware Investments National Municipal Income Fund - Form N-Q

7.50% 6/30/33 (Mobility Partners)	665,000	825,212
7.50% 12/31/31 (NTE Mobility Partners)	500,000	607,465
6.75% 6/30/43 (AMT)	225,000	278,048
6.875% 12/31/39	1,000,000	1,175,770
7.00% 12/31/38 (AMT)	165,000	207,575
		<b>17,408,900</b>
<b>Water &amp; Sewer Revenue Bonds 5.53%</b>		
New York City Water & Sewer System, New York (2nd Generation Fiscal 2013) Series CC 5.00% 6/15/47	345,000	392,548
Philadelphia, Pennsylvania Water & Wastewater Revenue Series A 5.00% 7/1/45	500,000	562,950
Phoenix, Arizona Civic Improvement Wastewater Systems Revenue (Junior Lien) Series A 5.00% 7/1/39	900,000	999,063
San Francisco, California City & County Public Utilities Commission Water Revenue Series F 5.00% 11/1/27	500,000	583,820
Southern California Water Replenishment District 5.00% 8/1/41	1,000,000	1,181,930
		3,720,311
<b>Total Municipal Bonds</b> (cost \$86,105,603)		<b>94,017,024</b>

(continues) NQ- OV9 [12/15] 2/16 (16088) 7

# Schedule of investments

Delaware Investments® National Municipal Income Fund (Unaudited)

	Principal Amount <sup>°</sup>	Value (U.S. \$)
<b>Short-Term Investments 1.93%</b>		
Variable Rate Demand Notes 1.93% <sup>¤</sup>		
Minneapolis-St. Paul, Minnesota Housing & Redevelopment Authority Health Care Revenue Series B-2 (Allina Health System) 0.01% 11/15/35 (LOC- JPMorgan Chase Bank N.A.)	1,000,000	\$ 1,000,000
Mississippi Business Finance Series G (Chevron USA) 0.01% 11/1/35	300,000	300,000
<b>Total Short-Term Investments</b> (cost \$1,300,000)		<b>1,300,000</b>
<b>Total Value of Securities 141.67%</b> (cost \$87,405,603)		<b>95,317,024</b>
<b>Liquidation Value of Preferred Stock (44.59%)</b>		<b>(30,000,000)</b>
<b>Receivables and Other Assets Net of Liabilities 2.92%</b>		<b>1,966,049</b>
<b>Net Assets Applicable to 4,528,443 Shares Outstanding 100.00%</b>		<b>\$ 67,283,073</b>

# Security exempt from registration under Rule 144A of the Securities Act of 1933, as amended. At Dec. 31, 2015, the aggregate value of Rule 144A securities was \$551,224, which represents 0.82% of the Fund's net assets.

¤ Tax-exempt obligations that contain a floating or variable interest rate adjustment formula and an unconditional right of demand to receive payment of the unpaid principal balance plus accrued interest upon a short notice period (generally up to 30 days) prior to specified dates either from the issuer or by drawing on a bank letter of credit, a guarantee, or insurance issued with respect to such instrument. The rate shown is the rate as of Dec. 31, 2015.

° Principal amount shown is stated in U.S. dollars unless noted that the security is denominated in another currency.

^ Zero coupon security. The rate shown is the yield at the time of purchase.

§ Pre-refunded bonds. Municipal bonds that are generally backed or secured by U.S. Treasury bonds. For pre-refunded bonds, the stated maturity is followed by the year in which the bond is pre-refunded.

## Summary of abbreviations:

AMBAC Insured by AMBAC Assurance Corporation

AMT Subject to Alternative Minimum Tax

LOC Letter of Credit

NATL-RE Insured by National Public Finance Guarantee Corporation





# Notes

Delaware Investments<sup>®</sup> National Municipal Income Fund  
December 31, 2015 (Unaudited)

## 1. Significant Accounting Policies

The following accounting policies are in accordance with U.S. generally accepted accounting principles (U.S. GAAP) and are consistently followed by Delaware Investments National Municipal Income Fund (Fund). This report covers the period of time since the Fund's last fiscal year end.

**Security Valuation** Debt securities are valued based upon valuations provided by an independent pricing service or broker and reviewed by management. To the extent current market prices are not available, the pricing service may take into account developments related to the specific security, as well as transactions in comparable securities. Valuations for fixed income securities utilize matrix systems, which reflect such factors as security prices, yields, maturities, and ratings, and are supplemented by dealer and exchange quotations. Generally, other securities and assets for which market quotations are not readily available are valued at fair value as determined in good faith under the direction of the Fund's Board of Directors/Trustees (Board). In determining whether market quotations are readily available or fair valuation will be used, various factors will be taken into consideration, such as market closures or suspension of trading in a security.

## 2. Investments

U.S. GAAP defines fair value as the price that the Fund would receive to sell an asset or pay to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions. A three-level hierarchy for fair value measurements has been established based upon the transparency of inputs to the valuation of an asset or liability. Inputs may be observable or unobservable and refer broadly to the assumptions that market participants would use in pricing the asset or liability. Observable inputs reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs reflect the reporting entity's own assumptions about the assumptions that market participants would use in pricing the asset or liability developed based on the best information available under the circumstances. The Fund's investment in its entirety is assigned a level based upon the observability of the inputs which are significant to the overall valuation. The three-level hierarchy of inputs is summarized below.

- Level 1 - Inputs are quoted prices in active markets for identical investments. (Examples: equity securities, open-end investment companies, futures contracts, exchange-traded options contracts)
- 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. (Examples: debt securities, government securities, swap contracts, foreign currency exchange contracts, foreign securities utilizing international fair value pricing, broker-quoted securities, fair valued securities)
- Level 3 - Significant unobservable inputs, including the Fund's own assumptions used to determine the fair value of investments. (Examples: broker-quoted securities, fair valued securities)

Level 3 investments are valued using significant unobservable inputs. The Fund may also use an income-based valuation approach in which the anticipated future cash flows of the investment are discounted to calculate fair value. Discounts may also be applied due to the nature or duration of any restrictions on the disposition of the investments. Valuations may also be based upon current market prices of securities that are comparable in coupon, rating, maturity, and industry. The derived value of a Level 3 investment may not represent the value which is received upon disposition and this could impact the results of operations.

The following table summarizes the valuation of the Fund's investments by fair value hierarchy levels as of Dec. 31, 2015:

Securities	Level 2
Municipal Bonds	\$94,017,024
Short-Term Investments	1,300,000

Edgar Filing: Delaware Investments National Municipal Income Fund - Form N-Q

Total Value of Securities	\$95,317,024
---------------------------	--------------

During the period ended Dec. 31, 2015, there were no transfers between Level 1 investments, Level 2 investments, or Level 3 investments that had a material impact to the Fund. The Fund's policy is to recognize transfers between levels at the beginning of the reporting period.

(continues) NQ- OV9 [12/15] 2/16 (16088) 9

---

## Notes

December 31, 2015 (Unaudited)

### 3. Subsequent Events

On January 22, 2016, Delaware Investments National Municipal Income Fund (the Fund) successfully issued \$30,000,000 of Variable Rate MuniFund Term Preferred ( VMTP ) shares with a \$100,000 liquidation value per share in a privately negotiated offering. The net proceeds from the offering were used to redeem the Series 2017 VMTP shares previously outstanding. The VMTP shares were offered to qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933.

The Fund is obligated to redeem its VMTP shares on February 1, 2021, unless earlier redeemed or repurchased by the Fund. VMTP shares are subject to optional and mandatory redemption in certain circumstances. The Fund may be obligated to redeem certain of the VMTP shares if the Fund fails to maintain certain asset coverage and leverage ratio requirements and such failures are not cured by the applicable cure date. The redemption price per share is equal to the sum of the liquidation value per share plus any accumulated but unpaid dividends. Dividends on the VMTP shares are set weekly, subject to adjustments in certain circumstances.

The Fund uses leverage because its managers believe that, over time, leveraging may provide opportunities for additional income and total return for common shareholders. However, the use of leverage also can expose common shareholders to additional volatility. For example, as the prices of securities held by the Fund decline, the negative impact of these valuation changes on common share net asset value and common shareholder total return is magnified by the use of leverage; accordingly, the use of structural leverage may hurt the Fund's overall performance.

Leverage may also cause the Fund to incur certain costs. In the event that the Fund is unable to meet certain criteria (including, but not limited to, maintaining certain ratings with Fitch Ratings and Moody's Investors Service, funding dividend payments, or funding redemptions), the Fund will pay additional fees with respect to the leverage.

For financial reporting purposes, the VMTP shares are considered debt of the issuer; therefore, the liquidation value which approximates fair value of the VMTP share is recorded as a liability in the statements of assets and liabilities. Dividends accrued and paid on the VMTP shares are included as a component of interest expense in the statements of operations. The VMTP shares are treated as equity for legal and tax purposes. Dividends paid to holders of the VMTP shares are generally classified as tax-exempt income for tax-reporting purposes.

Management has determined that no additional material events or transactions occurred subsequent to Dec. 31, 2015 that would require recognition or disclosure in the Fund's Schedule of investments.

10 NQ- OV9 [12/15] 2/16 (16088)

---

**Item 2. Controls and Procedures.**

The registrant's principal executive officer and principal financial officer have evaluated the registrant's disclosure controls and procedures within 90 days of the filing of this report and have concluded that they are effective in providing reasonable assurance that the information required to be disclosed by the registrant in its reports or statements filed under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the Securities and Exchange Commission.

There were no significant changes in the registrant's internal control over financial reporting 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.**

File as exhibits as part of this Form a separate certification for each principal executive officer and principal financial officer of the registrant as required by Rule 30a-2(a) under the Act (17 CFR 270.30a-2(a)), exactly as set forth below:

---