

MORGAN STANLEY QUALITY MUNICIPAL INCOME TRUST  
Form N-Q  
March 30, 2009

**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: 811-06591  
Morgan Stanley Quality Municipal Income Trust  
(Exact name of registrant as specified in charter)**

522 Fifth Avenue, New York, New York  
(Address of principal executive offices)

10036  
(Zip code)

Randy Takian  
522 Fifth Avenue, New York, New York 10036  
(Name and address of agent for service)

Registrant's telephone number, including area code: 212-296-6963

Date of fiscal year end: October 31, 2009

Date of reporting period: January 31, 2009

**Item 1. Schedule of Investments.**

The Trust's schedule of investments as of the close of the reporting period prepared pursuant to Rule 12-12 of Regulation S-X is as follows:

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**Morgan Stanley Quality Municipal Income Trust**  
**Portfolio of Investments January 31, 2009 (unaudited)**

| PRINCIPAL<br>AMOUNT<br>IN<br>THOUSANDS |                                                                                                                           | COUPON<br>RATE | MATURITY<br>DATE | VALUE        |
|----------------------------------------|---------------------------------------------------------------------------------------------------------------------------|----------------|------------------|--------------|
|                                        | <b>Tax-Exempt Municipal Bonds (180.1%)</b>                                                                                |                |                  |              |
|                                        | <b>Alabama (1.5%)</b>                                                                                                     |                |                  |              |
| \$ 3,700                               | University of Alabama, Ser 2004-A (MBIA Insd)                                                                             | 5.25%          | 07/01/22         | \$ 3,853,661 |
|                                        | <b>Alaska (0.8%)</b>                                                                                                      |                |                  |              |
| 4,000                                  | Northern Tobacco Securitization Corporation, Asset Backed Ser 2006 A                                                      | 5.00           | 06/01/46         | 2,086,480    |
|                                        | <b>Arizona (6.1%)</b>                                                                                                     |                |                  |              |
| 2,000                                  | Arizona Transportation Board, Highway Refg Ser 2002 A                                                                     | 5.25           | 07/01/19         | 2,195,040    |
| 3,000                                  | Phoenix Civic Improvement Corporation, Airport Ser 2002 B (AMT) (FGIC Insd)                                               | 5.25           | 07/01/32         | 2,470,950    |
| 3,800                                  | Phoenix Civic Improvement Corporation, Jr Lien Water Ser 2002 (FGIC Insd)                                                 | 5.00           | 07/01/26         | 3,730,536    |
| 6,000                                  | Salt River Project Agricultural Improvement & Power District, 2002 Ser B (a)                                              | 5.00           | 01/01/31         | 6,061,209    |
| 2,000                                  | Surprise Municipal Property Corporation Ser 2007                                                                          | 4.90           | 04/01/32         | 1,394,720    |
|                                        |                                                                                                                           |                |                  | 15,852,455   |
|                                        | <b>California (29.4%)</b>                                                                                                 |                |                  |              |
| 2,000                                  | California Health Facilities Financing Authority, Cedars-Sinai Medical Center Ser 2005                                    | 5.00           | 11/15/34         | 1,669,340    |
| 2,000                                  | California Health Facilities Financing Authority, Kaiser Permanente Ser 2006 A                                            | 5.25           | 04/01/39         | 1,677,920    |
| 5,000                                  | California Infrastructure & Economic Development Bank, Bay Area Toll Bridges First Lien Ser 2003 (a)                      | 5.00           | 01/01/28(b)      | 5,763,487    |
| 3,000                                  | California Infrastructure & Economic Development Bank, The Scripps Research Institute Ser 2005 A                          | 5.00           | 07/01/29         | 2,950,860    |
| 6,000                                  | California Pollution Control Financing Authority, Keller Canyon Landfill Co/Browning-Ferris Industries Inc Ser 1992 (AMT) | 6.875          | 11/01/27         | 5,362,380    |

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|        |                                                                                                                            |       |          |            |
|--------|----------------------------------------------------------------------------------------------------------------------------|-------|----------|------------|
| 10,000 | California State Economic Recovery Ser 2004 A (a)                                                                          | 5.00  | 07/01/16 | 10,354,200 |
| 4,000  | California Statewide Communities Development, Baptist University Ser 2007 A                                                | 5.40  | 11/01/27 | 2,552,160  |
| 5,000  | California Statewide Communities Development, John Muir Health Ser 2006 A                                                  | 5.00  | 08/15/32 | 4,292,300  |
| 5,000  | California, Various Purpose Dtd 05/01/03                                                                                   | 5.25  | 02/01/19 | 5,201,101  |
| 5,740  | California, Various Purpose Dtd 11/01/06                                                                                   | 4.50  | 10/01/36 | 4,717,476  |
| 6,000  | Golden State Tobacco Securitization Corporation, Enhanced Asset Backed Ser 2005 A (AMBAC Insd)                             | 5.00  | 06/01/29 | 5,161,320  |
| 4,000  | Golden State Tobacco Securitization Corporation, Enhanced Asset Backed Ser 2007 A                                          | 5.75  | 06/01/47 | 2,416,200  |
| 8,000  | Golden State Tobacco Securitization Corporation, Enhanced Asset Backed Ser 2007 A-1                                        | 5.125 | 06/01/47 | 4,302,720  |
| 4,000  | Los Angeles Ser 2004 A (MBIA Insd)                                                                                         | 5.00  | 09/01/24 | 4,111,600  |
| 4,000  | Port of Oakland Ser 2002 L (AMT) (FGIC Insd)                                                                               | 5.00  | 11/01/32 | 3,098,760  |
| 1,000  | San Diego County, Burnham Institute for Medical Research Ser 2006 (COPs)                                                   | 5.00  | 09/01/34 | 647,080    |
| 3,720  | San Diego County Water Authority Ser 2002 A (COPs) (MBIA Insd)                                                             | 5.00  | 05/01/27 | 3,731,011  |
| 960    | San Francisco City and County, Laguna Honda Hospital Refg Ser 2008 R3 (AGC Insd) (a)                                       | 5.00  | 06/15/28 | 958,166    |
| 16,000 | Silicon Valley Tobacco Securitization Authority Tobacco Settlement, Santa Clara Tobacco Securitization Corp Ser 2007 (g)   | 0.00  | 06/01/36 | 952,960    |
| 5,000  | Tobacco Securitization Authority of Northern California, Sacramento County Tobacco Securitization Corporation Ser 2006 A-1 | 5.00  | 06/01/37 | 2,747,950  |
| 2,760  | University of California Ser 2007-J (FSA Insd) (a)                                                                         | 4.50  | 05/15/31 | 2,430,235  |
| 2,240  | University of California Ser 2007-J (FSA Insd) (a)                                                                         | 4.50  | 05/15/35 | 1,936,839  |
|        |                                                                                                                            |       |          | 77,036,065 |
|        | <b>Colorado (3.3%)</b>                                                                                                     |       |          |            |
| 1,750  | Boulder County, University Corp for Atmospheric Research Ser 2002 (MBIA Insd)                                              | 5.375 | 09/01/18 | 1,881,004  |
| 1,750  | Boulder County, University Corp for Atmospheric Research Ser 2002 (MBIA Insd)                                              | 5.375 | 09/01/21 | 1,856,173  |
| 2,000  | Colorado Educational & Cultural Facilities Authority, Peak to Peak Charter School Refg & Impr Ser 2004 (XLCA Insd)         | 5.25  | 08/15/34 | 1,812,420  |
| 2,000  | Colorado Health Facilities Authority, Adventist/Sunbelt Ser 2006 D                                                         | 5.25  | 11/15/35 | 1,677,860  |
| 1,590  |                                                                                                                            | 5.00  | 12/01/30 | 1,216,286  |

Denver Convention Center Hotel Authority,  
Refg Ser 2006 (XLCA Insd)

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| PRINCIPAL<br>AMOUNT<br>IN<br>THOUSANDS |                                                                                                                             | COUPON MATURITY |          | VALUE      |
|----------------------------------------|-----------------------------------------------------------------------------------------------------------------------------|-----------------|----------|------------|
|                                        |                                                                                                                             | RATE            | DATE     |            |
| 265                                    | Public Authority For Colorado Energy, Natural Gas Ser 2008                                                                  | 6.25            | 11/15/28 | 215,315    |
|                                        |                                                                                                                             |                 |          | 8,659,058  |
|                                        | <b>Connecticut (1.6%)</b>                                                                                                   |                 |          |            |
| 5,000                                  | Connecticut Housing Finance Authority, SubSer A-2 (AMT)                                                                     | 5.15            | 05/15/38 | 4,285,400  |
|                                        | <b>Delaware (0.2%)</b>                                                                                                      |                 |          |            |
| 1,000                                  | New Castle County, Newark Charter School Inc Ser 2006                                                                       | 5.00            | 09/01/36 | 589,040    |
|                                        | <b>District of Columbia (1.9%)</b>                                                                                          |                 |          |            |
| 6,000                                  | District of Columbia Ballpark Ser 2006 B-1 (FGIC Insd)                                                                      | 5.00            | 02/01/31 | 4,911,960  |
|                                        | <b>Florida (6.9%)</b>                                                                                                       |                 |          |            |
| 2,000                                  | Broward County School Board, Ser 2001 A (COPs) (FSA Insd)                                                                   | 5.00            | 07/01/26 | 1,961,180  |
| 3,000                                  | Highlands County Health Facilities Authority, Adventist Health/Sunbelt Ser 2006 C                                           | 5.25            | 11/15/36 | 2,537,422  |
| 3,300                                  | Jacksonville Electric Authority, St Johns Power Park Refg Issue 2 Ser 17                                                    | 5.00            | 10/01/18 | 3,415,830  |
| 1,500                                  | Lee County Industrial Development Authority, Shell Point Village/The Alliance Community for Retirement Living Inc, Ser 2006 | 5.125           | 11/15/36 | 806,625    |
| 12,000                                 | South Miami Health Facilities Authority, Baptist Health South Florida Ser 2007                                              | 5.00            | 08/15/42 | 9,256,320  |
|                                        |                                                                                                                             |                 |          | 17,977,377 |
|                                        | <b>Georgia (4.7%)</b>                                                                                                       |                 |          |            |
| 3,000                                  | Atlanta, Airport Ser 2004 J (FSA Insd)                                                                                      | 5.00            | 01/01/34 | 2,868,180  |
| 6,000                                  | Georgia State Road & Tollway Authority Ser 2004                                                                             | 5.00            | 10/01/22 | 6,308,520  |
| 3,000                                  | Georgia State Road & Tollway Authority Ser 2004                                                                             | 5.00            | 10/01/23 | 3,128,670  |
|                                        |                                                                                                                             |                 |          | 12,305,370 |
|                                        | <b>Hawaii (7.3%)</b>                                                                                                        |                 |          |            |
| 8,000                                  | Hawaii, 1992 Ser BZ                                                                                                         | 6.00            | 10/01/11 | 8,924,960  |
| 10,000                                 | Honolulu City & County Ser 2003 A (MBIA Insd) (a)                                                                           | 5.25            | 03/01/26 | 10,138,800 |
|                                        |                                                                                                                             |                 |          | 19,063,760 |
|                                        | <b>Idaho (1.4%)</b>                                                                                                         |                 |          |            |
| 50                                     | Idaho Housing Agency, 1992 Ser E (AMT)                                                                                      | 6.75            | 07/01/12 | 50,098     |
| 760                                    | Idaho Housing & Finance Association, 2000 Ser E (AMT)                                                                       | 6.00            | 01/01/32 | 748,706    |

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|        |                                                                                                        |       |          |            |
|--------|--------------------------------------------------------------------------------------------------------|-------|----------|------------|
| 2,600  | Idaho Housing & Finance Association 2008 Ser A                                                         | 5.25  | 07/15/23 | 2,818,426  |
|        |                                                                                                        |       |          | 3,617,230  |
|        | <b>Illinois (4.7%)</b>                                                                                 |       |          |            |
| 4,000  | Chicago, O Hare Int 1 Airport Third Lien Ser 2003 B-2 (AMT) (FSA Insd)                                 | 5.75  | 01/01/23 | 3,917,360  |
| 6,000  | Illinois, First Ser 2002 (MBIA Insd)                                                                   | 5.375 | 07/01/20 | 6,332,640  |
| 2,000  | Schaumburg Ser 2004 B (FGIC Insd)                                                                      | 5.25  | 12/01/34 | 2,009,820  |
|        |                                                                                                        |       |          | 12,259,820 |
|        | <b>Indiana (6.1%)</b>                                                                                  |       |          |            |
| 10,000 | Indiana Bond Bank, Revolving Fund Ser 2001 A                                                           | 5.00  | 02/01/23 | 10,306,200 |
| 6,000  | Indiana Health & Educational Facility Financing Authority, Clarian Health Ser 2006 A                   | 5.25  | 02/15/40 | 4,341,360  |
| 1,400  | Marion County Convention & Recreational Facilities Authority, Refg Ser 2003 A (AMBAC Insd)             | 5.00  | 06/01/21 | 1,449,518  |
|        |                                                                                                        |       |          | 16,097,078 |
|        | <b>Kansas (0.9%)</b>                                                                                   |       |          |            |
| 3,000  | University of Kansas Hospital Authority, KU Health Ser 2002                                            | 4.50  | 09/01/32 | 2,324,370  |
|        | <b>Kentucky (1.9%)</b>                                                                                 |       |          |            |
| 5,000  | Louisville & Jefferson County Metropolitan Sewer District, Ser 1999 A (FGIC Insd)                      | 5.75  | 05/15/33 | 5,036,600  |
|        | <b>Maryland (2.8%)</b>                                                                                 |       |          |            |
| 2,000  | Baltimore County, Oak Crest Village Ser 2007 A                                                         | 5.00  | 01/01/37 | 1,414,120  |
| 3,000  | Maryland Health & Higher Educational Facilities Authority, King Farm Presbyterian Community 2006 Ser B | 5.00  | 01/01/17 | 2,273,250  |
| 2,000  | Maryland Health & Higher Educational Facilities Authority, University of Maryland Medical Ser 2006 A   | 5.00  | 07/01/41 | 1,599,760  |
| 2,000  | Northeast Maryland Waste Disposal Authority, Montgomery County Ser 2003 (AMT) (AMBAC Insd)             | 5.50  | 04/01/16 | 2,074,980  |
|        |                                                                                                        |       |          | 7,362,110  |
|        | <b>Michigan (5.0%)</b>                                                                                 |       |          |            |
| 6,000  | Michigan Hospital Finance Authority, Henry Ford Health Refg Ser 2006 A                                 | 5.25  | 11/15/46 | 3,937,500  |
| 5,000  | Michigan Strategic Fund, Detroit Edison Co Ser 2001 C (AMT)                                            | 5.65  | 09/01/29 | 4,202,400  |
| 3,000  | Wayne County, Detroit Metropolitan Wayne County Airport Refg Ser 2002 D (AMT) (FGIC Insd)              | 5.50  | 12/01/17 | 3,015,810  |
| 1,855  | Wayne State University, Refg Ser 2008 (FSA Insd)                                                       | 5.00  | 11/15/25 | 1,911,522  |
|        |                                                                                                        |       |          | 13,067,232 |
|        | <b>Minnesota (0.7%)</b>                                                                                |       |          |            |







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| PRINCIPAL<br>AMOUNT<br>IN<br>THOUSANDS |                                                                                                     | COUPON MATURITY |          | VALUE      |
|----------------------------------------|-----------------------------------------------------------------------------------------------------|-----------------|----------|------------|
|                                        |                                                                                                     | RATE            | DATE     |            |
| 4,000                                  | Allegheny County Redevelopment Authority, West Penn Allegheny Health Ser 2007 A                     | 5.375           | 11/15/40 | 2,087,200  |
|                                        | <b>South Carolina (5.9%)</b>                                                                        |                 |          |            |
| 3,000                                  | Charleston Educational Excellence Financing Corporation, Charleston County School District Ser 2005 | 5.25            | 12/01/29 | 2,889,420  |
| 70                                     | Lexington County Health Services District, Lexmed Inc, Ser 2007 A                                   | 5.00            | 11/01/16 | 73,385     |
| 5,000                                  | South Carolina Public Service Authority, Refg Ser 2002 D (FSA Insd)                                 | 5.00            | 01/01/20 | 5,299,050  |
| 7,000                                  | South Carolina Public Service Authority, Refg Ser 2003 A (AMBAC Insd) (a)                           | 5.00            | 01/01/22 | 6,900,440  |
| 345                                    | Richland County, Environmental Improvement, International Paper Company Ser 2007A                   | 4.60            | 09/01/12 | 311,563    |
|                                        |                                                                                                     |                 |          | 15,473,858 |
|                                        | <b>Tennessee (2.9%)</b>                                                                             |                 |          |            |
| 2,000                                  | Sullivan County Health Educational & Housing Facilities Board, Wellmont Health Ser 2006 C           | 5.25            | 09/01/36 | 1,174,860  |
| 8,000                                  | Tennessee Energy Acquisition Corporation Ser 2006 A                                                 | 5.25            | 09/01/19 | 6,460,400  |
|                                        |                                                                                                     |                 |          | 7,635,260  |
|                                        | <b>Texas (22.4%)</b>                                                                                |                 |          |            |
| 2,000                                  | Alliance Airport Authority, Federal Express Corp Refg Ser 2006 (AMT)                                | 4.85            | 04/01/21 | 1,503,280  |
| 10,000                                 | Austin, Water & Wastewater Rrfg Sec 2001 A & B (FSA Insd) (a)                                       | 5.125           | 05/15/27 | 10,053,475 |
| 5,100                                  | Board of Regents of the University of Houston System Ser 2008 (FSA Insd) (a)                        | 5.00            | 02/15/33 | 5,015,901  |
| 6,000                                  | Houston, Airport Sub Lien Ser 2000 A (AMT) (FSA Insd)                                               | 5.875           | 07/01/17 | 6,093,779  |
| 5,000                                  | Houston, Airport Sub Lien Ser 2000 A (AMT) (FSA Insd)                                               | 5.625           | 07/01/30 | 4,487,000  |
| 12,800                                 | Houston, Combined Utility First Lien Refg 2004 Ser A (FGIC Insd)                                    | 5.25            | 05/15/23 | 13,005,568 |
| 8,600                                  | North Texas Tollway Authority Refg First Tier Ser 2008 D (g)                                        | 0.00            | 01/01/28 | 2,679,330  |
| 13,960                                 | San Antonio, Water & Refg Ser 2001 (FGIC Insd)                                                      | 5.00            | 05/15/26 | 13,959,023 |
| 2,000                                  | Tarrant County Cultural Educational Facilities Finance Corp, Air Force Village II Inc Ser 2007      | 5.125           | 05/15/37 | 1,262,580  |
| 530                                    | Texas Municipal Gas Acquisition and Supply Corp. Ser 2008 D                                         | 6.25            | 12/15/26 | 442,529    |
|                                        |                                                                                                     |                 |          | 58,502,465 |
|                                        | <b>Vermont (0.5%)</b>                                                                               |                 |          |            |
| 2,500                                  | Vermont Economic Development Authority, Wake Robin Corp Ser 2006 A                                  | 5.375           | 05/01/36 | 1,385,350  |
|                                        | <b>Virginia (1.3%)</b>                                                                              |                 |          |            |
| 2,000                                  |                                                                                                     | 5.125           | 10/01/42 | 1,140,800  |

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|       |                                                                                                                           |         |          |             |
|-------|---------------------------------------------------------------------------------------------------------------------------|---------|----------|-------------|
|       | Fairfax County Economic Development Authority, Goodwin House Inc Ser 2007                                                 |         |          |             |
| 1,450 | Henrico County Economic Development Authority, Residential Care Facility, Westminster Canterbury-Management Corp Ser 2006 | 5.00    | 10/01/27 | 1,064,895   |
| 1,750 | Henrico County Economic Development Authority, Residential Care Facility, Westminster Canterbury-Management Corp Ser 2006 | 5.00    | 10/01/35 | 1,161,317   |
|       |                                                                                                                           |         |          | 3,367,012   |
|       | <b>Washington (6.6%)</b>                                                                                                  |         |          |             |
| 5,000 | Energy Northwest, Columbia Refg Ser 2001 C (MBIA Insd)                                                                    | 5.75    | 07/01/18 | 5,458,899   |
| 5,000 | Grant County Public Utility District #2, Electric Refg Ser 2001 H (FSA Insd)                                              | 5.375   | 01/01/18 | 5,319,350   |
| 4,010 | Port of Seattle, Passenger Facility Ser 1998 A (MBIA Insd)                                                                | 5.00    | 12/01/23 | 3,867,244   |
| 2,500 | Spokane School District #81 Ser 2005 (MBIA Insd) (g)                                                                      | 0.00(e) | 06/01/23 | 2,605,875   |
|       |                                                                                                                           |         |          | 17,251,368  |
|       | <b>Total Tax-Exempt Municipal Bonds</b>                                                                                   |         |          |             |
|       | <i>(Cost \$513,059,760)</i>                                                                                               |         |          | 470,966,048 |

NUMBER  
OF  
SHARES  
(000)

|       |                                                                                                                 |  |  |             |
|-------|-----------------------------------------------------------------------------------------------------------------|--|--|-------------|
|       | <b>Short-Term Investment (f) (0.9%)</b>                                                                         |  |  |             |
|       | <b>Investment Company</b>                                                                                       |  |  |             |
| 2,390 | Morgan Stanley Institutional Liquidity Funds Tax-Exempt Portfolio Institutional Class <i>(Cost \$2,389,616)</i> |  |  | 2,389,616   |
|       | <b>Total Investments</b>                                                                                        |  |  |             |
|       | <i>(Cost \$515,449,376)</i>                                                                                     |  |  | 473,355,664 |

PRINCIPAL  
AMOUNT  
IN  
THOUSANDS

|             |                                                                                                                                                                                |        |                |
|-------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|----------------|
|             | <b>Floating Rate Note and Dealer Trust<br/>Obligations Related to Securities Held (-24.2%)</b>                                                                                 |        |                |
| \$ (63,194) | Notes with interest rates ranging from 0.43% to 1.53% at January 31, 2009 and contractual maturities of collateral ranging from 07/01/16 to 05/15/35 (h) (Cost (\$63,194,000)) |        | (63,194,000)   |
|             | <b>Total Net Investments</b><br>(Cost \$452,255,376) (i) (j)                                                                                                                   | 156.8% | 410,161,664    |
|             | <b>Other Assets in Excess of Liabilities</b>                                                                                                                                   | 2.3    | 5,904,685      |
|             | <b>Preferred Shares of Beneficial Interest</b>                                                                                                                                 | (59.1) | (154,500,000)  |
|             | <b>Net Assets Applicable to Common Shareholders</b>                                                                                                                            | 100.0% | \$ 261,566,349 |

Note: The categories of investments are shown as a percentage of net assets applicable to common shareholders.

AMT Alternative  
Minimum Tax.

COPs Certificates of  
Participation.

(a) Underlying  
security related  
to inverse  
floater entered  
into by the  
Fund.

(b) Prerefunded to  
call date  
shown.

(c) A portion of  
this security  
has been  
physically  
segregated in  
connection with  
open futures  
contracts in the

*amount of  
\$1,450,300.*

- (d) Resale is restricted to qualified institutional investors.*
- (e) Security is a Step-up bond where the coupon increases on a predetermined future date.*
- (f) The Fund invests in Morgan Stanley Institutional Liquidity Funds Tax-Exempt Portfolio Institutional Class, an open-end management investment company managed by the Investment Adviser. Investment Advisory fees paid by the Fund are reduced by an amount equal to the advisory and administrative service fees paid by Morgan Stanley Institutional Liquidity Funds Tax-Exempt Portfolio*

*Institutional  
Class with  
respect to  
assets invested  
by the Fund in  
Morgan  
Stanley  
Institutional  
Liquidity Funds  
Tax-Exempt  
Portfolio  
Institutional  
Class .*

- (g) *Capital  
appreciation  
bond.*
  
- (h) *Floating rate  
note  
obligations  
related to  
securities held  
The Fund  
enters into  
transactions in  
which it  
transfers to  
Dealer Trusts  
( Dealer  
Trusts ), fixed  
rate bonds in  
exchange for  
cash and  
residual  
interests in the  
Dealer Trusts  
assets and cash  
flows, which  
are in the form  
of inverse  
floating rate  
investments.  
The Dealer  
Trusts fund the  
purchases of  
the fixed rate  
bonds by  
issuing floating  
rate notes to  
third parties*

*and allowing the Fund to retain residual interest in the bonds. The Fund enters into shortfall agreements with the Dealer Trusts which commit the Fund to pay the Dealer Trusts, in certain circumstances, the difference between the liquidation value of the fixed rate bonds held by the Dealer Trusts and the liquidation value of the floating rate notes held by third parties, as well as any shortfalls in interest cash flows. The residual interests held by the Fund (inverse floating rate investments) include the right of the Fund (1) to cause the holders of the floating rate notes to tender their notes at par at the next interest rate reset date, and (2) to transfer the municipal*

*bond from the Dealer Trusts to the Fund, thereby collapsing the Dealer Trusts. The Fund accounts for the transfer of bonds to the Dealer Trusts as secured borrowings, with the securities transferred remaining in the Fund's investment assets, and the related floating rate notes reflected as Fund liabilities. The notes issued by the Dealer Trusts have interest rates that reset weekly and the floating rate note holders have the option to tender their notes to the Dealer Trusts for redemption at par at each reset date. At January 31, 2009, Fund investments with a value of \$99,581,148 are held by the Dealer Trusts and serve as collateral for the \$63,194,000 in*

*floating rate  
note  
obligations  
outstanding at  
that date.*

(i) *Securities have  
been  
designated as  
collateral in an  
amount equal  
to  
\$134,452,898  
in connection  
with open  
futures  
contracts and  
inverse floating  
rate municipal  
obligations.*

(j) *The aggregate  
cost for federal  
income tax  
purposes  
approximates  
the aggregate  
cost for book  
purposes.*

**Bond Insurance:**

*AGC Assured  
Guaranty  
Corporation.*

*AMBAC AMBAC  
Assurance  
Corporation.*

*FGIC Financial  
Guaranty  
Insurance  
Company.*

*FSA Financial  
Security  
Assurance Inc.*

*MBIA Municipal Bond  
Investors  
Assurance  
Corporation.*



*XLCA* *XL Capital*  
*Assurance Inc.*

---

**Futures Contracts Open at January 31, 2009:**

| NUMBER OF<br>CONTRACTS | LONG/SHORT | DESCRIPTION, DELIVERY<br>MONTH AND YEAR   | UNDERLYING<br>FACE<br>AMOUNT AT<br>VALUE | UNREALIZED<br>APPRECIATION/<br>(DEPRECIATION) |
|------------------------|------------|-------------------------------------------|------------------------------------------|-----------------------------------------------|
| 273                    | Long       | U.S. Treasury Notes 10 Year<br>March 2009 | \$ 33,485,156                            | \$ (377,047)                                  |
| 20                     | Long       | Swap Futures 5 Year March<br>2009         | 2,321,563                                | (7,386)                                       |
| 63                     | Short      | U.S. Treasury Notes 5 Year<br>March 2009  | (7,444,828)                              | 22,033                                        |
| 35                     | Short      | U.S. Treasury Bond 2 Year<br>March 2009   | (7,616,875)                              | 20,707                                        |
| 127                    | Short      | U.S. Treasury Notes 20 Year<br>March 2009 | (16,091,298)                             | 314,981                                       |
| 500                    | Short      | Swap Futures 10 Year March<br>2009        | (62,398,440)                             | 632,191                                       |
|                        |            | Net Unrealized Appreciation               |                                          | \$ 605,479                                    |

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**MS Quality Municipal Income Trust**  
**Notes to the Portfolio of Investments**

**FAS 157**

**1/31/2009**

The Fund adopted Financial Accounting Standards Board Statement of Financial Accounting Standards No. 157, *Fair Value Measurements* ( SFAS 157 ), effective November 1, 2008. In accordance with SFAS 157, fair value is defined as the price that the Fund would receive to sell an investment or pay to transfer a liability in a timely transaction with an independent buyer in the principal market, or in the absence of a principal market the most advantageous market for the investment or liability. SFAS 157 establishes a three-tier hierarchy to distinguish between (1) inputs that reflect the assumptions market participants would use in pricing an asset or liability developed based on market data obtained from sources independent of the reporting entity (observable inputs) and (2) inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing an asset or liability developed based on the best information available in the circumstances (unobservable inputs) and to establish classification of fair value measurements for disclosure purposes. Various inputs are used in determining the value of the Fund's investments. The inputs are summarized in the three broad levels listed below.

Level 1 quoted prices in active markets for identical investments

Level 2 other significant observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)

Level 3 significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments)

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities and the determination of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to each security.

The following is a summary of the inputs used as of January 31, 2009 in valuing the Fund's investments carried at value:

|                              |                | Fair Value Measurements at January 31, 2009                                     |                                                           |                                                    |
|------------------------------|----------------|---------------------------------------------------------------------------------|-----------------------------------------------------------|----------------------------------------------------|
|                              |                | Using                                                                           |                                                           |                                                    |
|                              |                | Quoted<br>Prices In<br>Active<br>Market for<br>Identical<br>Assets<br>(Level 1) | Significant<br>Other<br>Observable<br>Inputs<br>(Level 2) | Significant<br>Unobservable<br>Inputs<br>(Level 3) |
|                              | Total          |                                                                                 |                                                           |                                                    |
| Investments in Securities    | \$ 473,355,664 | \$ 2,389,616                                                                    | \$ 470,966,048                                            |                                                    |
| Other Financial Instruments* | 605,479        | 605,479                                                                         |                                                           |                                                    |
| Total                        | \$ 473,961,143 | \$ 2,995,095                                                                    | \$ 470,966,048                                            |                                                    |

\* Other financial instruments include futures contracts.

Valuation of Investments (1) portfolio securities are valued by an outside independent pricing service approved by the Trustees. The pricing service uses both a computerized grid matrix of tax-exempt securities and evaluations by its

staff, in each case based on information concerning market transactions and quotations from dealers which reflect the mean between the last reported bid and asked price. The portfolio securities are thus valued by reference to a combination of transactions and quotations for the same or other securities believed to be comparable in quality, coupon, maturity, type of issue, call provisions, trading characteristics and other features deemed to be relevant. The Trustees believe that timely and reliable market quotations are generally not readily available for purposes of valuing tax-exempt securities and that the valuations supplied by the pricing service are more likely to approximate the fair value of such securities; (2) futures are valued at the

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latest sale price on the commodities exchange on which they trade unless it is determined that such price does not reflect their market value, in which case they will be valued at their fair value as determined in good faith under procedures established by and under the supervision of the Trustees; (3) interest rate swaps are marked- to-market daily based upon quotations from market makers; (4) investments in open-end mutual funds, including the Morgan Stanley Institutional Liquidity Funds, are valued at the net asset value as of the close of each business day; and (5) short-term debt securities having a maturity date of more than sixty days at time of purchase are valued on a mark-to-market basis until sixty days prior to maturity and thereafter at amortized cost based on their value on the 61st day. Short-term debt securities having a maturity date of sixty days or less at the time of purchase are valued at amortized cost.

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**Item 2. Controls and Procedures.**

(a) The Trust's principal executive officer and principal financial officer have concluded that the Trust's disclosure controls and procedures are sufficient to ensure that information required to be disclosed by the Trust in this Form N-Q was recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms, based upon such officers' evaluation of these controls and procedures as of a date within 90 days of the filing date of the report.

(b) There were no changes in the Trust's internal control over financial reporting that occurred during the registrant's fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Trust's internal control over financial reporting.

**Item 3. Exhibits.**

(a) A separate certification for each principal executive officer and principal financial officer of the registrant are attached hereto.

**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.

Morgan Stanley Quality Municipal Income Trust

/s/ Randy Takian

Randy Takian

Principal Executive Officer

March 19, 2009

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

/s/ Randy Takian

Randy Takian

Principal Executive Officer

March 19, 2009

/s/ Francis Smith

Francis Smith

Principal Financial Officer

March 19, 2009