

BLACKROCK NEW YORK MUNICIPAL INCOME QUALITY TRUST

Form N-Q

January 28, 2011

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 811-21179

Name of Fund: BlackRock New York Municipal Income Quality Trust (BSE)

Fund Address: 100 Bellevue Parkway, Wilmington, DE 19809

Name and address of agent for service: Anne F. Ackerley, Chief Executive Officer, BlackRock New York Municipal Income Quality Trust, 55 East 52nd Street, New York, NY 10055

Registrant's telephone number, including area code: (800) 882-0052, Option 4

Date of fiscal year end: 08/31/2011

Date of reporting period: 11/30/2010

Item 1 Schedule of Investments

Schedule of Investments November 30, 2010 (Unaudited)

BlackRock New York Municipal Income Quality Trust (BSE)

(Percentages shown are based on Net Assets)

	Par (000)	Value
Municipal Bonds		
New York 115.9%		
Corporate 1.1%		
New York State Energy Research & Development Authority, RB, Lilco Project, Series A (NPFGC), 5.15%, 3/01/16	\$ 1,000	\$ 1,017,430
County/City/Special District/School District 26.1%		
Erie County Industrial Development Agency, RB, City School District of Buffalo Project, Series A (AGM), 5.75%, 5/01/25	1,000	1,113,130
Haverstraw-Stony Point Central School District New York, GO (AGM), 3.00%, 10/15/27	140	117,565
Hudson Yards Infrastructure Corp., RB, Series A: (FGIC), 5.00%, 2/15/47	2,750	2,659,195
(NPFGC), 4.50%, 2/15/47	250	230,613
New York City Industrial Development Agency, RB, PILOT: CAB, Yankee Stadium, (AGC), 6.52%, 3/01/39 (a)	1,000	189,240
Queens Baseball Stadium, (AGC), 6.38%, 1/01/39	150	162,432
Queens Baseball Stadium, (AMBAC), 5.00%, 1/01/46	2,475	2,111,026
Yankee Stadium, (NPFGC), 4.75%, 3/01/46	1,000	899,250
New York City Transitional Finance Authority, RB, Series S-2 (AGM), 5.00%, 1/15/37	850	862,937
New York City Transitional Finance Authority, Refunding RB (AMBAC),		

Edgar Filing: BLACKROCK NEW YORK MUNICIPAL INCOME QUALITY TRUST - Form N-Q

Series B:

Future Tax, 5.00%, 11/01/11 (b)	5	5,266
Future Tax Secured, 5.00%, 5/01/30	3,260	3,300,424
New York Convention Center Development Corp., RB, Hotel Unit Fee Secured (AMBAC), 5.00%, 11/15/44	5,175	5,034,757
New York State Dormitory Authority, Refunding RB, School Districts Financing Program, Series A (AGM), 5.00%, 10/01/35	1,000	1,012,220

Municipal Bonds	Par (000)	Value
New York (continued)		
County/City/Special District/School District (concluded)		
Sales Tax Asset Receivable Corp., RB, Series A (AMBAC), 5.00%, 10/15/32	\$ 6,000	\$ 6,152,880 23,850,935
Education 33.0%		
City of Troy New York, Refunding RB, Rensselaer Polytechnic, Series A, 5.13%, 9/01/40	1,175	1,166,916
Herkimer County Industrial Development Agency New York, RB, College Foundation Inc. Student Housing Project, 6.25%, 8/01/34	1,000	1,006,960
Madison County Industrial Development Agency New York, RB, Colgate University Project, Series A (AMBAC), 5.00%, 7/01/30	1,000	1,020,890
New York City Industrial Development Agency, RB, Lycee Francais de New York Project, Series A (ACA), 5.38%, 6/01/23	2,500	2,547,975
New York City Transitional Finance Authority, RB, Fiscal 2009, Series S-4 (AGC), 5.50%, 1/15/33	1,000	1,077,950

Edgar Filing: BLACKROCK NEW YORK MUNICIPAL INCOME QUALITY TRUST - Form N-Q

New York State Dormitory Authority, RB:

Brooklyn Law School, Series B

(Syncora), 5.13%, 7/01/30	4,000	4,036,840
---------------------------	-------	-----------

FIT Student Housing Corp. (FGIC),

5.13%, 7/01/14 (b)	2,500	2,860,450
--------------------	-------	-----------

Mount Sinai School of Medicine at

NYU (NPFGC), 5.00%, 7/01/35	2,500	2,485,875
-----------------------------	-------	-----------

New York University, Series 2

(AMBAC), 5.00%, 7/01/41	6,000	6,004,200
-------------------------	-------	-----------

Ss Joachim & Anne Residence,

5.25%, 7/01/27	3,000	3,015,690
----------------	-------	-----------

The New School (AGM), 5.50%,

7/01/43 (c)	1,365	1,404,885
-------------	-------	-----------

Trust for Cultural Resources, Refunding

RB, American Museum of Natural

History, Series A (NPFGC):

5.00%, 7/01/36	1,000	1,014,450
----------------	-------	-----------

5.00%, 7/01/44	2,500	2,512,925
----------------	-------	-----------

30,156,006

Portfolio Abbreviations

To simplify the listings of portfolio holdings in the Schedule of Investments, the names and descriptions of many of the securities have been abbreviated

according to the following list:

ACA	ACA Financial Guaranty Corp.	FHA	Federal Housing Administration
AGC	Assured Guaranty Corp.	GO	General Obligation Bonds
AGM	Assured Guaranty Municipal Corp.	MRB	Mortgage Revenue Bonds
AMBAC	American Municipal Bond Assurance Corp.	NPFGC	National Public Finance Guarantee Corp.
BHAC	Berkshire Hathaway Assurance Corp.	PILOT	Payment in Lieu of Taxes
CAB	Capital Appreciation Bonds	RB	Revenue Bonds
CIFG	CDC IXIS Financial Guaranty	SBPA	Stand-by Bond Purchase Agreement
ERB	Education Revenue Bonds	VRDN	Variable Rate Demand Notes
FGIC	Financial Guaranty Insurance Co.		

BLACKROCK NEW YORK MUNICIPAL INCOME QUALITY TRUST

NOVEMBER 30, 2010

Schedule of Investments^(continued)

BlackRock New York Municipal Income Quality Trust (BSE)

(Percentages shown are based on Net Assets)

	Par (000)	Value
Municipal Bonds		
New York (continued)		
Health 20.1%		
Monroe County Industrial Development Corp., RB, Unity Hospital of Rochester Project (FHA), 5.50%, 8/15/40	\$ 325	\$ 342,882
New York State Dormitory Authority, MRB:		
Hospital, Lutheran Medical (NPFGC), 5.00%, 8/01/31	4,500	4,503,330
St. Barnabas, Series A (FHA), 5.00%, 2/01/31	5,000	5,017,900
New York State Dormitory Authority, RB:		
Hudson Valley Hospital (BHAC), 5.00%, 8/15/36	1,250	1,279,950
New York & Presbyterian Hospital (AGM), 5.25%, 2/15/31	500	515,225
North Shore-Long Island Jewish Health System, Series A, 5.50%, 5/01/37	350	355,638
New York State Dormitory Authority, Refunding RB:		
Hospital, New York & Presbyterian Hospital (AMBAC), 5.00%, 8/01/32	3,885	3,885,505
St. Luke's Roosevelt Hospital (FHA), 4.90%, 8/15/31	500	512,205
Winthrop University Hospital Association, Series A (AMBAC), 5.25%, 7/01/31	2,000	1,970,220
		18,382,855
State 8.0%		
New York State Dormitory Authority, ERB, Series B, 5.75%, 3/15/36	600	660,978
New York State Dormitory Authority, RB:		

Edgar Filing: BLACKROCK NEW YORK MUNICIPAL INCOME QUALITY TRUST - Form N-Q

Mental Health Services Facilities

Improvement, Series A (AGM),

5.00%, 2/15/22	1,000	1,072,230
----------------	-------	-----------

School Districts Financing Program,

Series D (NPFGC), 5.00%,

10/01/30	3,500	3,518,025
----------	-------	-----------

New York State Dormitory Authority,

Refunding RB, School Districts

Financing Program, Series A (NPFGC),

5.00%, 4/01/31	2,000	2,007,860
		7,259,093

Transportation 20.9%

Hudson Yards Infrastructure Corp., RB:

Series A (AGM), 5.00%, 2/15/47	605	597,667
--------------------------------	-----	---------

(AGC), 5.00%, 2/15/47	1,250	1,234,850
-----------------------	-------	-----------

Metropolitan Transportation Authority,

RB, Series 2008C, 6.50%, 11/15/28	750	847,253
-----------------------------------	-----	---------

Metropolitan Transportation Authority,

Refunding RB:

Series A (AMBAC), 5.00%, 7/01/30	4,600	4,612,282
----------------------------------	-------	-----------

Series A (NPFGC), 5.25%, 1/15/31	4,250	4,287,655
----------------------------------	-------	-----------

Transportation, Series E (NPFGC),

5.25%, 11/15/31	2,660	2,683,568
-----------------	-------	-----------

New York State Thruway Authority, RB,

Series G (AGM), 5.00%, 1/01/32	500	510,030
--------------------------------	-----	---------

New York State Thruway Authority,

Refunding RB, Series H (AGM), 5.00%,

1/01/37	4,000	4,045,000
---------	-------	-----------

	Par	
Municipal Bonds	(000)	Value

New York (concluded)

Transportation (concluded)

Port Authority of New York & New Jersey,

RB, Consolidated, 116th Series,

4.13%, 9/15/32	\$ 250	\$ 237,285
----------------	--------	------------

19,055,590

Utilities 6.7%

Long Island Power Authority, RB,

General, Series C (CIFG), 5.25%,

Edgar Filing: BLACKROCK NEW YORK MUNICIPAL INCOME QUALITY TRUST - Form N-Q

9/01/29	1,000	1,067,980
Long Island Power Authority, Refunding		
RB:		
General, Series A (AGC), 6.00%,		
5/01/33	2,000	2,230,480
General, Series F (NPFGC), 4.25%,		
5/01/33	1,000	937,220
Series A (AGC), 5.75%, 4/01/39	1,690	1,832,940
		6,068,620
Total Municipal Bonds in New York		105,790,529
Guam 0.7%		
Utilities 0.7%		
Guam Power Authority, Refunding RB,		
Series A (AGM), 5.00%, 10/01/37	675	651,753
Puerto Rico 17.3%		
County/City/Special District/School District 0.8%		
Puerto Rico Sales Tax Financing Corp.,		
RB, First Sub-Series A (AGM), 5.00%,		
8/01/40	500	492,360
Puerto Rico Sales Tax Financing Corp.,		
Refunding RB, CAB, Series A (NPFGC),		
5.78%, 8/01/41 (a)	1,500	216,300
		708,660
Education 4.7%		
Puerto Rico Industrial Tourist		
Educational Medical & Environmental		
Control Facilities Financing Authority,		
RB, University Plaza Project, Series A		
(NPFGC), 5.00%, 7/01/33	1,000	958,180
Puerto Rico Industrial Tourist		
Educational Medical & Environmental		
Control Facilities Financing Authority,		
Refunding RB, Polytechnic University		
Project, Series A (ACA), 5.00%,		
8/01/32	3,800	3,304,898
		4,263,078
State 6.4%		
Commonwealth of Puerto Rico, GO,		
Refunding:		
Public Improvement, Series A-4		
(AGM), 5.25%, 7/01/30	725	739,761

Edgar Filing: BLACKROCK NEW YORK MUNICIPAL INCOME QUALITY TRUST - Form N-Q

Sub-Series C-7 (NPFGC), 6.00%,

7/01/27	1,000	1,055,340
---------	-------	-----------

Puerto Rico Highway & Transportation

Authority, Refunding RB, Series CC

(AGM):

5.50%, 7/01/31	1,000	1,059,790
----------------	-------	-----------

5.25%, 7/01/32	1,000	1,022,090
----------------	-------	-----------

Puerto Rico Public Buildings Authority,

Refunding RB, Government Facilities,

Series M-3 (NPFGC), 6.00%, 7/01/28	500	524,465
------------------------------------	-----	---------

2 BLACKROCK NEW YORK MUNICIPAL INCOME QUALITY TRUST

NOVEMBER 30, 2010

Schedule of Investments^(continued)

BlackRock New York Municipal Income Quality Trust (BSE)

(Percentages shown are based on Net Assets)

	Par (000)	Value
Municipal Bonds		
Puerto Rico (concluded)		
State (concluded)		
Puerto Rico Sales Tax Financing Corp., RB, First Sub-Series A, 5.75%, 8/01/37	\$ 1,000	\$ 1,031,570
Puerto Rico Sales Tax Financing Corp., Refunding RB, CAB, Series A (NPFGC), 5.99%, 8/01/43 (a)	3,000	376,230 5,809,246
Transportation 2.4%		
Puerto Rico Highway & Transportation Authority, RB, Series Y (AGM), 6.25%, 7/01/21	2,000	2,225,720
Utilities 3.0%		
Puerto Rico Aqueduct & Sewer Authority, RB, Senior Lien, Series A (AGC), 5.13%, 7/01/47	500	501,475
Puerto Rico Electric Power Authority, Refunding RB, Series VV (NPFGC): 5.25%, 7/01/29	250	254,458
5.25%, 7/01/30	2,000	2,024,400 2,780,333
Total Municipal Bonds in Puerto Rico		15,787,037
Total Municipal Bonds 133.9%		122,229,319
Municipal Bonds Transferred to Tender		
Option Bond Trusts (d)		
New York 19.4%		
County/City/Special District/School District 1.2%		
City of New York New York, GO, Sub- Series C-3 (AGC), 5.75%, 8/15/28	1,000	1,112,480
Transportation 17.1%		
Metropolitan Transportation Authority, Refunding RB, Series A (AGM), 5.00%,		

Edgar Filing: BLACKROCK NEW YORK MUNICIPAL INCOME QUALITY TRUST - Form N-Q

11/15/30	6,080	6,089,971
Triborough Bridge & Tunnel Authority, Refunding RB (NPFGC), 5.00%, 11/15/32	9,404	9,541,899
		15,631,870

Utilities 1.1%

New York City Municipal Water Finance Authority, RB: Fiscal 2009, Series A, 5.75%, 6/15/40	495	537,362
Series FF-2, 5.50%, 6/15/40	405	433,930
		971,292
Total Municipal Bonds Transferred to Tender Option Bond Trusts 19.4%		17,715,642
Total Long-Term Investments (Cost \$138,861,942) 153.3%		139,944,961

	Par (000)	Value
Short-Term Securities		
New York 0.1%		
City of New York New York, GO, Refunding, VRDN, Sub-Series H-3 (AGM Insurance, State Street Bank & Co. SBPA), 0.28%, 12/01/10 (e)	\$ 50	\$ 50,000

Shares

Money Market Fund 2.5%		
BIF New York Municipal Money Fund, 0.04% (f)(g)	2,355,214	2,355,214
Total Short-Term Securities (Cost \$2,405,214) 2.6%		2,405,214
Total Investments (Cost \$141,267,156*) 155.9%		142,350,175
Liabilities in Excess of Other Assets 0.0%		(36,876)
Liabilities for Trust Certificates, Including Interest Expense and Fees Payable (11.4)%		(10,411,038)
Preferred Shares, at Redemption Value (44.5)%		(40,577,457)
Net Assets Applicable to Common Shares 100.0%		\$ 91,324,804

* The cost and unrealized appreciation (depreciation) of investments as of

Edgar Filing: BLACKROCK NEW YORK MUNICIPAL INCOME QUALITY TRUST - Form N-Q

November 30, 2010, as computed for federal income tax purposes, were as follows:

Aggregate cost	\$ 130,963,059
Gross unrealized appreciation	\$ 2,737,947
Gross unrealized depreciation	(1,759,334)
Net unrealized appreciation	\$ 978,613

(a) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.

(b) US government securities, held in escrow, are used to pay interest on this security as well as to retire the bond in full at the date indicated, typically at a premium to par.

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

Counterparty	Value	Unrealized Appreciation
JPMorgan Chase Securities	\$ 1,029,220	\$ 39,765
UBS Securities	\$ 375,665	\$ 14,514

(d) Securities represent bonds transferred to a tender option bond trust in exchange for which the Trust acquired residual interest certificates. These securities serve as collateral in a financing transaction.

(e) Variable rate security. Rate shown is as of report date and maturity shown is the date the principal owed can be recovered through demand.

(f) Investments in companies considered to be an affiliate of the Trust during the period, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

Affiliate	Shares Held at August 31, 2010	Net Activity	Shares Held at November 30, 2010	Income
BIF New York Municipal Money Fund	1,077,827	1,277,387	2,355,214	\$9

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

BLACKROCK NEW YORK MUNICIPAL INCOME QUALITY TRUST

NOVEMBER 30, 2010

Schedule of Investments^(concluded)

BlackRock New York Municipal Income Quality Trust (BSE)

For Trust compliance purposes, the Trust's sector classifications refer to any one or more of the sector sub-classifications used by one or more widely recognized market indexes or ratings group indexes, and/or as defined by Trust management. This definition may not apply for purposes of this report, which may combine such sector sub-classifications for reporting ease.

Fair Value Measurements - Various inputs are used in determining the fair value of investments, which are as follows:

Level 1 price quotations in active markets/exchanges for identical assets and liabilities

Level 2 other observable inputs (including, but not limited to: quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates) or other market-corroborated inputs)

Level 3 unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available (including the Trust's own assumptions used in determining the fair value of investments)

The inputs or methodologies used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. For information about the Trust's policy regarding valuation of investments and other significant accounting policies, please refer to the Trust's most recent financial statements as contained in its annual report.

The following table summarizes the inputs used as of November 30, 2010 in determining the fair valuation of the Trust's investments:

Valuation Inputs	Level 1	Level 2	Level 3	Total
Assets:				
Investments in				
Securities:				
Long-Term				
Investments ¹		\$139,944,961		\$ 139,944,961
Short-Term				
Securities	\$ 2,355,214	50,000		2,405,214

Edgar Filing: BLACKROCK NEW YORK MUNICIPAL INCOME QUALITY TRUST - Form N-Q

Total	\$ 2,355,214	\$139,994,961	\$ 142,350,175
-------	--------------	---------------	----------------

¹ See above Schedule of Investments for values in each sector.

4 BLACKROCK NEW YORK MUNICIPAL INCOME QUALITY TRUST

NOVEMBER 30, 2010

Item 2 Controls and Procedures

2(a) The registrant's principal executive and principal financial officers or persons performing similar functions have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940, as amended (the 1940 Act)) are effective as of a date within 90 days of the filing of this report based on the evaluation of these controls and procedures required by Rule 30a-3(b) under the 1940 Act and Rule 13a-15(b) under the Securities Exchange Act of 1934, as amended.

2(b) There were no changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the 1940 Act) that occurred during the registrant's last fiscal quarter that have materially affected, or are reasonably likely to materially affect, the registrant's internal control over financial reporting.

Item 3 Exhibits

Certifications Attached hereto

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

BlackRock New York Municipal Income Quality Trust

By: /s/ Anne F. Ackerley

Anne F. Ackerley

Chief Executive Officer (principal executive officer) of
BlackRock New York Municipal Income Quality Trust

Date: January 26, 2011

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

By: /s/ Anne F. Ackerley

Anne F. Ackerley

Chief Executive Officer (principal executive officer) of
BlackRock New York Municipal Income Quality Trust

Date: January 26, 2011

By: /s/ Neal J. Andrews

Neal J. Andrews

Chief Financial Officer (principal financial officer) of
BlackRock New York Municipal Income Quality Trust

Date: January 26, 2011
