

BLACKROCK INCOME TRUST INC
Form N-Q
September 29, 2006

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: 811-05542

BlackRock Income Trust, Inc.
(Exact name of registrant as specified in charter)

100 Bellevue Parkway, Wilmington, DE
(Address of principal executive offices)

19809
(Zip code)

Robert S. Kapito, President
BlackRock Income Trust, Inc.

40 East 52nd Street, New York, NY 10022
(Name and address of agent for service)

Registrant's telephone number, including area code: 888-825-2257

Date of fiscal year end: October 31, 2006

Date of reporting period: July 31, 2006

Item 1. Schedule of Investments.

The Registrant's unaudited schedule of investments as of the close of the reporting period pursuant to Rule 30b1-5 under the Investment Company Act of 1940 is as follows:

PORTFOLIO OF INVESTMENTS (unaudited)
JULY 31, 2006

BlackRock Income Trust Inc. (BKT)

Rating ¹	Principal Amount (000)	Description	Value
LONG-TERM INVESTMENTS 116.9%			
Mortgage Pass-Through Securities 27.4%			
		Federal Home Loan Mortgage Corp.,	
	\$ 996 ²	4.149%, 1/01/35	\$ 984,567
		1,042 ² 4.96%, 10/01/34	1,012,412
		10,092 5.50%, 10/01/16-5/01/17	10,007,450
		30 ² 6.01%, 11/01/17	29,902
		72 6.50%, 5/01/29-5/01/30	73,786
		5 7.50%, 2/01/23	4,727
		48 8.00%, 11/01/15	48,217
		4 8.50%, 10/01/06-3/01/08	3,458
		167 9.00%, 9/01/20	179,167
		Federal National Mortgage Assoc.,	
		24,763 5.00%, 6/01/33-7/01/35	23,521,937
		35,037 5.50%, 12/01/13-8/01/34	34,452,793
		9,848 ³ 5.50%, 9/01/17	9,769,651
		3,899 6.00%, 11/01/31-10/01/32	3,888,948
		2,870 6.50%, 2/01/26-5/01/31	2,915,655
		4,820 7.00%, 6/01/26-1/01/32	4,953,157
		4 7.50%, 2/01/22-9/01/23	4,241
		167 8.00%, 5/01/08-5/01/22	169,957
		4 9.50%, 1/01/19-9/01/19	4,578
		3,500 TBA, 6.00%, 8/14/36	3,477,033
		15,200 TBA, 6.50%, 8/14/36	15,375,742
		Government National Mortgage Assoc.,	
		70 7.00%, 10/15/17	72,111
		473 7.50%, 8/15/21-12/15/23	490,161
		245 8.00%, 10/15/22-2/15/29	261,276
		32 9.00%, 6/15/18-9/15/21	35,140
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		Total Mortgage Pass-Through Securities	111,736,066
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Federal Housing Administration Securities 2.1%			
		408 GMAC Colonial, 7.40%, 12/01/22	406,482
		GMAC Projects,	
		300 Ser. 51, 7.43%, 2/01/23	298,904
		681 Ser. 56, 7.43%, 11/01/22	678,915
		52 Merrill Projects, Ser. 54, 7.43%,	
		5/15/23	51,526
		812 Reilly Project, Ser. 41, 8.28%, 3/01/20	804,516
		USGI Projects,	
		111 Ser. 87, 7.43%,	
		12/01/22	110,506
		344 Ser. 99, 7.43%, 10/01/23	343,080
		5,722 Ser. 6094, 7.43%, 6/01/21	5,707,934
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		Total Federal Housing Administration Securities	8,401,863
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Inverse Floating Rate Mortgage Securities 2.5%			
		Federal Home Loan Mortgage Corp.,	
		41 ² Ser. 1160, Class F, 17.319%,	
		10/15/21	40,879
		289 ^{2,3} Ser. 1616, Class SB, 8.50%, 11/15/08	287,516
		916 ² Ser. 1688, Class S, 8.709%,	
		12/15/13	914,818
		Federal National Mortgage Assoc.,	
		46 ² Ser. 7, Class S, 534.783%, 3/25/21	5,454
		68 ² Ser. 17, Class S,	
		525.547%, 6/25/21	7,584
		86 ² Ser. 38, Class SA, 10.186%, 4/25/21	90,147
		22 ² Ser. 46, Class S, 1280.969%, 5/25/21	3,721
		2 ² Ser. 49, Class S, 472.55%, 12/25/21	2,853
		391 ² Ser. 72, Class S, 8.75%, 5/25/08	388,710
		7,177 ² Ser. 73, Class DS, 3.549%,	
		8/25/35	5,715,778
		161 ² Ser. 87, Class S, 12.356%, 8/25/21	184,650
		161 ² Ser. 93, Class S, 8.50%, 5/25/08	162,790
		55 ² Ser. 170, Class SC, 9.00%, 9/25/08	55,548
		767 ² Ser. 196, Class SC, 7.354%, 10/25/08	759,762
		308 ² Ser. 214, Class SH, 4.194%,	
		12/25/08	294,812
		1,141 ² Ser. 247, Class SN, 10.00%, 12/25/23	1,141,509

BlackRock Income Trust Inc. (BKT) (continued)

**Principal
Amount**

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Rating ¹	(000)	Description	Value
Inverse Floating Rate Mortgage Securities (cont d) AAA \$ 185 ² Kidder Peabody Acceptance Corp., Ser. 1, Class A6, 6.621%, 8/25/23 \$ 179,363			
Total Inverse Floating Rate Mortgage Securities 10,235,894			
Interest Only Asset-Backed Securities 0.7% AAA 2,589 ^{2,4} Morgan Stanley Capital Trust I, Ser. HF1, Class X, 1.752%, 6/15/17 15,350 Sterling Coofs Trust, NR 30,678 Ser. 1, 2.362%, 4/15/29 1,533,918 NR 23,577 Ser. 2, 2.081%, 3/30/30 1,473,590			
Total Interest Only Asset-Backed Securities 3,022,858			
Interest Only Mortgage-Backed Securities 11.2% AAA 2,553 ABN Amro Mortgage Corp., Ser. 4, Class A2, 5.50%, 3/25/33 41,890 Aaa 81,369 ² Commercial Mortgage Acceptance Corp., Ser. ML1, 0.851%, 11/15/17 1,321,857 AAA 19,482 ^{2,4} Credit Suisse First Boston Mortgage Securities Corp., Ser. C1, Class AX, 1.532%, 6/20/29 557,058 AAA 177,030 ² CWALT, Inc., Ser. 79CB, Class A2, Zero Coupon, 1/25/36 663,862 Federal Home Loan Mortgage Corp., 5,370 ² Ser. 60, Class HS, 0.563%, 4/25/24 11,332 7 Ser. 176, Class M, 1010.00%, 7/15/21 89 33 Ser. 200, Class R, 98500.338%, 12/15/22 367 2,157 Ser. 204, 6.00%, 5/01/29 527,833 19 ² Ser. 1043, Class H, 20.813%, 2/15/21 20,299 2 ² Ser. 1054, Class I, 413.56%, 3/15/21 336 18 Ser. 1056, Class KD, 1084.50%, 3/15/21 2,211 60 ² Ser. 1148, Class E, 563.074%, 10/15/21 958 15 Ser. 1179, Class O, 10.09%, 11/15/21 255 2 Ser. 1221, Class H, 1006.50%, 3/15/07 44 346 Ser. 1706, Class IA, 7.00%, 10/15/23 16,339 113 Ser. 1720, Class PK, 7.50%, 1/15/24 6,795 4,364 Ser. 1914, Class PC, 0.75%, 12/15/11 49,870 80 ² Ser. 2002, Class HJ, 3.00%, 10/15/08 92 1,017 ² Ser. 2296, Class SA, 2.381%, 3/15/16 40,887 579 ² Ser. 2444, Class ST, 2.601%, 9/15/29 26,239 375 Ser. 2513, Class BI, 5.50%, 12/15/15 10,416 1,752 Ser. 2542, Class MX, 5.50%, 5/15/22 282,132 109 Ser. 2543, Class IM, 5.00%, 9/15/12 130 3,412 Ser. 2545, Class NI, 5.50%, 3/15/22 454,006 4,032 ² Ser. 2559, 0.923%, 8/15/30 16,382 5,674 Ser. 2561, Class EW, 5.00%, 9/15/16 558,395 12,625 Ser. 2611, Class QI, 5.50%, 9/15/32 2,296,921 7,462 Ser. 2633, Class PI, 4.50%, 3/15/12 196,264 4,136 Ser. 2653, Class MI, 5.00%, 4/15/26 528,891 6,963 Ser. 2658, Class PI, 4.50%, 6/15/13 376,231 5,662 Ser. 2672, Class TQ, 5.00%, 3/15/23 293,149 4,047 Ser. 2676, Class JI, 5.50%, 8/15/13 80,804 3,633 Ser. 2687, Class IL, 5.00%, 9/15/18 503,275 10,509 Ser. 2687, Class IQ, 5.50%, 9/15/22 357,618 6,533 Ser. 2693, Class IB, 4.50%, 6/15/13 375,544 3,285 Ser. 2694, Class LI, 4.50%, 7/15/19 368,153 6,040 Ser. 2773, Class OX, 5.00%, 2/15/18 784,427 13,747 ² Ser. 2779, Class YS, 1.781%, 1/15/33 629,946 19,426 ² Ser. 2780, Class SM, 0.631%, 4/15/34 255,129 8,077 Ser. 2786, Class PI, 4.50%, 10/15/10 147,453 6,727 Ser. 2825, Class NI, 5.50%, 3/15/30 1,720,892 39,659 ² Ser. 2990, Class WR, 1.26%, 6/15/35 1,542,544 110,599 ² Ser. 3122, Class IS, 1.331%, 3/15/36 5,218,878 Federal National Mortgage Assoc., 264 Ser. 5, Class H, 9.00%, 1/25/22 45,904 15 Ser. 7, Class 2, 8.50%, 4/01/17 3,229 5,139 Ser. 9, Class BI, 5.50%, 10/25/22 740,215 127 ² Ser. 10, Class S, 517.50%, 5/25/21 13,932 69 Ser. 12, Class C, 10.169%, 2/25/22 13,472 108 ² Ser. 12, Class S, 546.303%, 5/25/21 11,640 7,246 Ser. 13, Class IG, 5.00%, 10/25/22 395,451 7,225 Ser. 16, Class PI, 5.00%, 11/25/12 221,287 88 Ser. 33, Class PV, 1078.42%, 10/25/21 25,044			

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BlackRock Income Trust Inc. (BKT) (continued)

Rating ¹	Principal Amount (000)	Description	Value
Interest Only Mortgage-Backed Securities (cont d) \$ 1,954 ² Ser. 33, Class SG, 2.694%, 3/25/09 \$ 48,945 56,220 ² Ser. 36, Class SP, 1.315%, 5/25/36 3,255,137 6 Ser. 38, Class N, 1008.50%, 4/25/21 672 2,117 Ser. 43, Class LC, 6.00%,			

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3/25/34 387,694 68 Ser. 50, Class G, 1158.628%, 12/25/21 9,833 886² Ser. 50, Class SI, 1.20%, 4/25/23 28,608 7,372 Ser. 51, Class IE, 5.50%, 4/25/26 359,867 6,044 Ser. 55, Class GI, 5.00%, 7/25/19 727,257 4,826² Ser. 59, Class S, 5.21%, 10/25/22 607,718 753² Ser. 60, Class SB, 1.60%, 10/25/22 24,639 592 Ser. 62, Class IC, 5.50%, 7/25/15 22,518 6,407 Ser. 66, Class CI, 5.00%, 7/25/33 1,199,245 2,822² Ser. 68, Class SC, 2.694%, 1/25/24 116,455 5,207 Ser. 71, Class EI, 5.50%, 8/25/33 1,023,454 17,438² Ser. 73, Class ST, 0.745%, 8/25/35 298,923 526 Ser. 82, Class IR, 5.00%, 9/25/12 3,186 10,961 Ser. 88, Class TI, 4.50%, 11/25/13 528,703 27 Ser. 89, Class 2, 8.00%, 6/01/18 5,769 38,104² Ser. 90, Class JH, 1.315%, 11/25/34 1,329,979 15,972 Ser. 90, Class M, 6.00%, 1/25/28 2,817,997 9 Ser. 94, Class 2, 9.50%, 8/01/21 2,167 34 Ser. 99, Class L, 930.00%, 8/25/21 5,641 728 Ser. 122, Class IA, 4.00%, 9/25/09 3,483 3,741 Ser. 122, Class IC, 5.00%, 9/25/18 557,227 5 Ser. 123, Class M, 1009.50%, 10/25/20 967 38² Ser. 136, Class S, 14.684%, 11/25/20 44,477 58 Ser. 139, Class PT, 648.35%, 10/25/21 7,360 7² Ser. 141, Class SA, 13.375%, 8/25/07 371 2,751² Ser. 199, Class SB, 2.094%, 10/25/23 116,988 768 Ser. W4, 6.50%, 12/25/28 173,942 AAA 113 First Boston Mortgage Securities Corp., Ser. C, Class I, 10.965%, 4/25/17 18,664 First Horizon Alternative Mortgage Securities, AAA 90,166² Ser. FA7, Class 1A7, Zero Coupon, 10/25/35 338,123 AAA 226,688² Ser. FA9, Class A2, Zero Coupon, 12/25/35 708,399 AAA 20,694² General Motors Acceptance Corp., Commercial Mortgage Securities, Inc., Ser. C1, Class X, 1.501%, 7/15/27 564,245 AAA 10,528^{2,4} Goldman Sachs Mortgage Securities Corp., Ser. 5, 1.005%, 2/19/25 220,487 Government National Mortgage Assoc., 2,264 Ser. 39, Class ID, 5.00%, 5/20/33 511,584 2,711 Ser. 58, Class IT, 5.50%, 7/20/33 325,465 9,210 Ser. 75, Class II, 5.50%, 7/20/25 385,404 21,723² Ser. 89, Class SA, 0.531%, 10/16/33 266,783 Aaa 92 Kidder Peabody Acceptance Corp., Ser. B, Class A2, 9.50%, 4/22/18 19,342 AAA 33,233 MASTR Adjustable Rate Mortgages Trust, Ser. 3, Class 3AX, 0.977%, 4/25/34 815,107 AAA 1,827 MASTR Alternative Loan Trust, Ser. 9, Class 15X2, 6.00%, 1/25/19 233,638 AAA 86² MLCC Mortgage Investors Inc., Ser. A, Class XA, 0.833%, 3/25/28 3,183 AAA 2,186 Morgan Stanley Capital Trust I, Ser. 3, Class 1AX, 5.00%, 5/25/19 253,813 AAA 194,500² Residential Accredited Loans, Inc., Ser. QS16, Class A2, Zero Coupon, 11/25/35 303,906 AAA 125,450² Sequoia Mortgage Trust, Ser. 2, Class XA, 0.758%, 3/20/35 784,060 NR 11,003⁵ Small Business Administration, Ser. 1, 1.381%, 4/01/15 1 Structured Adjustable Rate Mortgage Loan Trust, AAA 21,872² Ser. 2, Class 4AX, 5.50%, 3/25/36 3,390,201 AAA 5,819 Ser. 20, Class 3AX, 5.50%, 10/25/35 951,455 NA 107,817² Vendee Mortgage Trust, Ser. 2, Class 1, 0.053%, 5/15/29 249,358

Total Interest Only Mortgage-Backed Securities 45,808,807

Principal Only Mortgage-Backed Securities 5.9% Countrywide Home Loans, Inc., AAA 6,288⁶ Ser. 26, 4.944%, 8/25/33 4,648,123 AAA 1,171⁶ Ser. J4, 5.142%, 6/25/33 892,627 AAA 1,689⁶ Ser. J5, 4.911%, 7/25/33 1,290,570 AAA 1,301⁶ Ser. J8, 4.787%, 9/25/23 983,682 Drexel Burnham Lambert, Inc., AAA 36⁶ Ser. K, Class 1, 11.50%, 9/23/17 30,503 AAA 421⁶ Ser. V, Class 1, 11.50%, 9/01/18 366,847

BlackRock Income Trust Inc. (BKT) (continued)

Rating ¹	Principal Amount (000)	Description	Value
Principal Only Mortgage-Backed Securities (cont d)			
		Federal Home Loan Mortgage Corp., \$ 285 ⁶ Ser. 8, Class A10, 6.737%, 11/15/28 \$ 207,174 197 ⁶ Ser. 1418, Class M, 7.50%, 11/15/22 182,333 577 ⁶ Ser. 1571, Class G, 7.50%, 8/15/23 522,584 2,531 ⁶ Ser. 1691, Class B, 7.50%, 3/15/24 2,077,922 250 ⁶ Ser. 1739, Class B, 7.50%, 2/15/24 223,925 Federal National Mortgage Assoc., 365 ⁶ Ser. 2, Class KB, 8.00%, 1/25/23 289,383 49 ⁶ Ser. 7, Class J, 10.00%, 2/25/21 39,639 1,110 ⁶ Ser. 13, Class PR, 6.50%, 3/25/32 840,565 154 ⁶ Ser. 51, Class E, 8.00%, 2/25/23 120,914 31 ⁶ Ser. 70, Class A, 7.00%, 5/25/23 27,462 70 ⁶ Ser. 167, Class D, 8.50%, 10/25/17 65,858 56 ⁶ Ser. 203, Class 1, 8.00%, 2/01/23 46,382 36 ⁶ Ser. 228, Class 1, 7.00%, 5/01/23 28,858 2,191 ⁶ Ser. 249, Class B, 7.50%, 11/25/23 1,850,451 303 ⁶ Ser. 273, Class 1, 7.00%, 7/01/26 237,529 5,477 ⁶ Ser. 328, Class 1, 6.00%, 11/01/32 4,088,998 4,235 ⁶ Ser. 338, Class 1, 5.50%,	

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6/01/33 3,057,086 397⁶ Ser. W4, 5.985%, 2/25/29 277,944 AAA 314⁶MASTR Asset Securitization Trust, Ser. 3, Class 4A15, 5.634%,
 3/25/34 208,594 AAA 983⁶Residential Asset Securitization Trust, Ser. A15, Class 1A8, 5.713%, 2/25/36 563,659 AAA 19^{5,6}Structured
 Mortgage Asset Residential Trust, Ser. 3C, Class CX, 7.031%, 4/25/24 16,873 AAA 1,064⁶Washington Mutual, Ser. 9, Class CP, 5.112%,
 11/25/35 750,087

Total Principal Only Mortgage-Backed Securities 23,936,572

Collateralized Mortgage Obligation Residual Securities 0.0% Collateralized Mortgage Obligation Trust, AAA 4 Ser. 40,
 Class R, 580.50%, 4/01/18 478 AAA 78 Ser. 42, Class R, 6000.00%, 10/01/14 8,520 Federal Home Loan Mortgage
 Corp., 28 Ser. 19, Class R, 9427.368%, 3/15/20 2,143 Ser. 75, Class R, 9.50%, 1/15/21 6 Ser. 75, Class RS, 16.385%,
 1/15/21 6 Ser. 173, Class R, 9.00%, 11/15/21 27 Ser. 173, Class RS, 9.131%, 11/15/21 28 NR 13 Painewebber CMO Trust,
 Ser. 88 M, Class 6, 13.80%, 9/01/18

Total Collateralized Mortgage Obligation Residual Securities 11,208

Collateralized Mortgage Obligation Securities 42.4% AAA 7,527 CWALT, Inc., Ser. 28CB, Class 1A5, 5.50%,
 8/25/35 7,483,900 Federal Home Loan Mortgage Corp., 5,022² Ser. 11, Class A9, 2.392%, 1/25/28 3,829,431 284 Ser. 19,
 Class F, 8.50%, 3/15/20 283,933 937 Ser. 40, Class K, 6.50%, 8/17/24 954,671 1² Ser. 192, Class U, 1009.033%,
 2/15/22 11 20 Ser. 1057, Class J, 1008.001%, 3/15/21 3,914 3,000 Ser. 1598, Class J, 6.50%, 10/15/08 3,012,477 592 Ser.
 1961, Class H, 6.50%, 5/15/12 597,681 8,550 Ser. 2218, Class Z, 8.50%, 3/15/30 9,357,169 15,636 Ser. 2461, Class Z, 6.50%,
 6/15/32 15,919,605 10,200 Ser. 2542, Class UC, 6.00%, 12/15/22 10,215,093 2,475 Ser. 2562, Class PG, 5.00%,
 1/15/18 2,372,211 928 Ser. 2564, Class NC, 5.00%, 2/15/33 819,226 2,050 Ser. 2750, Class TC, 5.25%,
 2/15/34 1,965,507 12,023 Ser. 2758, Class KV, 5.50%, 5/15/23 11,598,070 1,587 Ser. 2765, Class UA, 4.00%,
 3/15/11 1,509,852 3,429 Ser. 2806, Class VC, 6.00%, 12/15/19 3,444,326 2,243 Ser. 2927, Class BZ, 5.50%,
 2/15/35 2,039,606 Federal National Mortgage Assoc., 1,314² Ser. 2, Class KP, 2.459%, 2/25/35 1,301,620 699 Ser. 17,
 Class JA, 4.00%, 4/25/34 697,089 6,673 Ser. 28, Class PB, 6.00%, 8/25/28 6,669,403 2,536 Ser. 29, Class HC, 7.50%,
 7/25/30 2,678,350

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BlackRock Income Trust Inc. (BKT) (continued)

Rating ¹	Principal Amount (000)	Description	Value
Collateralized Mortgage Obligation Securities (cont d)			
	\$ 2,169	Ser. 31, Class ZG, 7.50%, 5/25/34	\$ 2,379,235 8,018 Ser. 32,
	8,045,308 85 ²	Ser. 38, Class F, 8.325%, 4/25/21	88,699 8,827 Ser. 38, Class Z, 5.00%,
	5/25/36 8,672,486 3,193	Ser. 68, Class PC, 5.50%, 7/25/35	3,161,951 12,264 Ser. 135, Class PB, 6.00%,
	1/25/34 12,219,501 2,893	Freddie Mac Structured Pass, Ser. 2996, Class MK, 5.50%, 6/15/35	2,862,633 Government National Mortgage
	1,325	Ser. 5, Class Z, 7.00%, 5/16/26	1,368,688 2,429 Ser. 33, Class PB, 6.50%, 7/20/31
	4,924,638	GSR Mortgage Loan Trust, AAA 4,889 ²	Ser. 10, Class 2A1, 4.476%,
	10/25/33 4,706,491 AAA 4,768 ²	Ser. 13, Class 1A1, 4.502%, 10/25/33	4,599,567 AAA 2,010 MASTR Alternative Loan Trust, Ser. 7,
	11/25/18 2,113,498 AAA 8,568	MASTR Asset Securitization Trust, Ser. 12, Class 3A5, 5.25%,	
	10/25/14 8,310,125 AAA 7,027 ²	Residential Asset Securitization Trust, Ser. A8, Class A2, 5.735%,	
	10/25/18 7,018,933 AAA 11,536	Residential Funding Securities Corp., Ser. RM2, Class AI5, 8.50%, 5/25/33	12,288,482 AAA 6,550
		² Structured Adjustable Rate Mortgage Loan Trust, Ser. 18, Class 7AX, 5.50%, 9/25/35	1,088,981 AAA 66 ^{2,4,7} Summit Mortgage Trust,
		Ser. 1, Class B1, 6.218%, 12/28/12	65,922

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Total Collateralized Mortgage Obligation Securities 173,133,504

U.S. Government and Agency Securities 23.9% Overseas Private Investment Corp., 306 4.09%, 5/29/12 273,873 853
² 4.30%, 5/29/12 785,950 638 4.64%, 5/29/12 595,591 360 4.68%, 5/29/12 326,091 2,724 4.87%, 5/29/12 2,567,759 3,369
² 5.40%, 5/29/12 3,339,453 13,000 Resolution Funding Corp., Ser. B, Zero Coupon, 4/15/30 3,816,012 Small Business
Administration, 886 Ser. 20C-1, 7.15%, 3/01/17 916,455 899 Ser. 20E-1, 7.60%, 5/01/16 934,342 1,128 Ser. 20F-1, 7.55%,
6/01/16 1,172,878 758 Ser. 20G-1, 7.70%, 7/01/16 790,459 1,255 Ser. 20H-1, 7.25%, 8/01/16 1,296,878 1,940 Ser. 20K-1,
6.95%, 11/01/16 1,997,168 U.S. Treasury Notes, 21,000⁸ 3.75%, 3/31/07 20,806,406 19,400⁸ 4.00%,
8/31/07 19,172,656 100,000⁸ U.S. Treasury Strip, Zero Coupon, 11/15/24 38,829,200

Total U.S. Government and Agency Securities 97,621,171

Corporate Bond 0.8% AA+ 3,456⁵ Structured Asset Receivable Trust, 1.649%, 1/21/10 3,455,660

Total Long-Term Investments (cost \$508,570,656) 477,363,603

SHORT-TERM INVESTMENT 0.8% U.S. Government and Agency Discount Note 0.8% 3,200⁹ Federal Home Loan Bank
Disc. Notes, 5.135%, 8/07/06 (cost \$3,197,264) 3,197,264

Notional

Amount

(000)

OUTSTANDING OPTIONS PURCHASED 0.3% Interest Rate Swaps, 5,700 Trust pays 3-month LIBOR, Trust receives
5.26%, expires 3/02/16 184,110 5,700 Trust pays 3-month LIBOR, Trust receives 5.50%, expires 12/11/15 293,550 5,700 Trust
pays 5.26%, Trust receives 3-month LIBOR, expires 3/02/16 330,600 5,700 Trust pays 5.50%, Trust receives 3-month LIBOR, expires
12/11/15 404,700

Total Outstanding Options Purchased (cost \$1,270,530) 1,212,960

**Total investments before borrowed bonds, investments sold short, TBA sale commitments and outstanding options written
(cost \$513,038,450¹⁰) 481,773,827**

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BlackRock Income Trust Inc. (BKT) (continued)

**Principal
Amount
(000)**

Description

Value

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BORROWED BONDS 14.1% U.S. Treasury Bonds, \$13,577¹¹ 4.90%, 8/02/06 \$ 13,576,500 17,935¹¹ 5.10%,
8/02/06 17,935,313 U.S. Treasury Notes, 11,835¹¹ 4.98%, 8/02/06 11,835,000 14,081¹¹ 5.00%, 8/02/06 14,080,500

Total Borrowed Bonds (cost \$57,427,313) 57,427,313

INVESTMENTS SOLD SHORT (13.9)% U.S. Treasury Bonds, (12,930) 5.375%,
2/15/31 (13,378,509) (15,750) 6.25%, 8/15/23 (17,642,461) U.S. Treasury Notes, (14,900) 4.00%,
2/15/15 (13,915,204) (12,000) 4.125%, 8/15/10 (11,658,750)

Total Investments Sold Short (proceeds \$59,142,549) (56,594,924)

TBA SALE COMMITMENTS (4.0)% Federal National Mortgage Assoc., (9,500) TBA, 5.00%,
8/14/36 (8,989,375) (7,500) TBA, 5.50%, 8/14/36 (7,282,035)

Total TBA Sale Commitments (proceeds \$16,091,914) (16,271,410)

Contracts/ Notional Amount (000)

OUTSTANDING OPTIONS WRITTEN (0.6)% Interest Rate Swaps, (14,100) Trust pays 3-month LIBOR, Trust receives
4.725%, expires 6/13/07 (915,372) (5,700) Trust pays 3-month LIBOR, Trust receives 5.135%, expires
4/21/08 (286,824) (12,400) Trust pays 3-month LIBOR, Trust receives 5.67%, expires 1/04/10 (518,415) (14,100) Trust pays
4.725%, Trust receives 3-month LIBOR, expires 6/13/07 (49,773) (5,700) Trust pays 5.135%, Trust receives 3-month LIBOR, expires
4/21/08 (94,876) (12,400) Trust pays 5.67%, Trust receives 3-month LIBOR, expires 1/04/10 (481,833) (70) U.S. Treasury Notes
Future, expiring 8/25/06 (15,313)

Total Outstanding Options Written (premium received \$2,908,212) (2,362,406)

**Total investments net of borrowed bonds, investments sold short, TBA sale commitments and outstanding options
written 113.6%** \$463,972,400 Liabilities in excess of other assets (including \$45,448,000 in reverse repurchase
agreements) (13.6)% (55,447,786)

Net Assets 100%

\$408,524,614

¹ Using the highest of S&P's, Moody's or Fitch's rating.

² Variable rate security. Rate shown is interest rate as of July 31, 2006.

³ Security, or a portion thereof, pledged as collateral with a value of \$9,860,050 on 1,284 short Eurodollar futures contracts expiring September 2006 to March 2009, 738 short U.S. Treasury Bond futures contracts expiring September 2006 and 428 short U.S. Treasury Note futures contracts expiring September 2006. The notional value of such contracts on July 31, 2006 was \$428,818,888, with an unrealized gain of \$998,211.

⁴ Security is not registered under the Securities Act of 1933. These securities may be resold in transactions in accordance with Rule 144A under that Act, to qualified institutional buyers. As of July 31, 2006, the Trust held 0.2% of its net assets, with a current market value of \$858,817, in securities restricted as to resale.

⁵ Illiquid security. As of July 31, 2006, the Trust held 0.9% of its net assets, with a current market value of \$3,472,534 in these securities.

⁶ Rate shown is effective yield as of July 31, 2006 of the underlying collateral.

⁷ Security is fair valued.

⁸ Entire or partial principal amount pledged as collateral for reverse repurchase agreements.

⁹ Rate shown is the yield to maturity as of the date of purchase.

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¹⁰ Cost for Federal income tax purposes is \$517,049,787. The net unrealized depreciation on a tax basis is \$35,275,960, consisting of \$7,270,776 gross unrealized appreciation and \$42,546,736 gross unrealized depreciation.

¹¹ The interest rate and maturity date shown represent the terms of the borrowed transaction, not the security borrowed.

KEY TO ABBREVIATIONS

TBA To Be Announced

Item 2. Controls and Procedures.

(a) The Registrant's principal executive and principal financial officers have evaluated the Registrant's disclosure controls and procedures within 90 days of this filing and have concluded, as of that date, that the Registrant's disclosure controls and procedures were reasonably designed to ensure that information required to be disclosed by the Registrant in this Form N-Q was recorded, processed, summarized, and reported within the required time periods and that information to be disclosed by the Registrant in this Form N-Q was accumulated and communicated to the Registrant's management, including its principal executive and principal financial officers, as appropriate, to allow timely decisions regarding required disclosure.

(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 (17 CFR 270.30a -3(d)) 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.

Separate certifications of the Registrant's Principal Executive and Financial Officers pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 are attached as EX-99.CERT.

SIGNATURES

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

(Registrant) BlackRock Income Trust, Inc.

By: /s/ Henry Gabbay
Name: Henry Gabbay
Title: Treasurer and Principal Financial Officer
Date: September 27, 2006

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

By: /s/ Robert S. Kapito
Name: Robert S. Kapito
Title: President and Principal Executive Officer
Date: September 27, 2006

By: /s/ Henry Gabbay
Name: Henry Gabbay
Title: Treasurer and Principal Financial Officer
Date: September 27, 2006
