

BLACKROCK NEW YORK MUNICIPAL INCOME TRUST
Form N-CSR
January 07, 2008

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

FORM N-CSR

**CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT
INVESTMENT COMPANIES**

Investment Company Act file number 811-10337

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

Fund Address: 100 Bellevue Parkway, Wilmington, DE 19809

Name and address of agent for service: Donald C. Burke, Chief Executive Officer, BlackRock New York Municipal Income Trust, 800 Scudders Mill Road, Plainsboro, NJ, 08536. Mailing address: P.O. Box 9011, Princeton, NJ, 08543-9011

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

Date of fiscal year end: 10/31/2007

Date of reporting period: 11/01/2006 10/31/2007

Closed-End Funds

ANNUAL REPORT | OCTOBER 31, 2007

[BlackRock Investment Quality Municipal Trust \(BKN\)](#)

[BlackRock Municipal Income Trust \(BFK\)](#)

[BlackRock Long-Term Municipal Advantage Trust \(BTA\)](#)

[BlackRock California Investment Quality Municipal Trust \(RAA\)](#)

[BlackRock California Municipal Income Trust \(BFZ\)](#)

[BlackRock Florida Investment Quality Municipal Trust \(RFA\)](#)

[BlackRock Florida Municipal Income Trust \(BBF\)](#)

[BlackRock New Jersey Investment Quality Municipal Trust \(RNJ\)](#)

[BlackRock New Jersey Municipal Income Trust \(BNJ\)](#)

[BlackRock New York Investment Quality Municipal Trust \(RNY\)](#)

[BlackRock New York Municipal Income Trust \(BNY\)](#)

NOT FDIC INSURED
MAY LOSE VALUE
NO BANK GUARANTEE

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A Letter to Shareholders

THIS PAGE NOT PART OF YOUR FUND REPORT

Dear Shareholder

The October reporting period was fairly tumultuous for financial markets, but culminated in positive performance for most major benchmarks:

Total returns as of October 31, 2007

	6-month	12-month
U.S. equities (S&P 500 Index)	+5.49%	+14.56%
Small cap U.S. equities (Russell 2000 Index)	+2.25%	+9.27%
International equities (MSCI Europe, Australasia, Far East Index)	+8.19%	+24.91%
Fixed income (Lehman Brothers U.S. Aggregate Bond Index)	+2.68%	+5.38%
Tax-exempt fixed income (Lehman Brothers Municipal Bond Index)	+1.30%	+2.91%
High yield bonds (Lehman Brothers U.S. Corporate High Yield 2% Issuer Cap Index)	-0.07%	+6.89%

Past performance is no guarantee of future results. Index performance shown for illustrative purposes only. You cannot invest directly in an index.

Subprime mortgage woes dominated headlines for much of 2007, but intensified in the summer and fall, spawning a widespread liquidity and credit crisis with ramifications across global markets. The Federal Reserve Board (Fed) and other countries' central banks stepped in to inject liquidity into the markets and bolster investor confidence. The Fed cut the federal funds rate by 0.50% in September and another 0.25% on the final day of the reporting period, bringing its target rate to 4.50%. In taking action, the central bankers, who had long deemed themselves inflation fighters, were seeking to stem the fallout from the credit crunch and forestall a wider economic unraveling. By period-end, the Fed had cited the risks between slower economic growth and faster inflation as equally balanced.

Amid the volatility throughout the past year, equity markets have displayed surprising resilience. Most recently, the credit turmoil dampened corporate merger-and-acquisition (M&A) activity, a key source of strength for equity markets. Still, market fundamentals have held firm, dividend payouts and share buybacks have continued to grow, and valuations remain attractive. These tailwinds generally have prevailed over the headwinds created by the slowing U.S. economy, troubled housing market and, recently, a more difficult corporate earnings backdrop. International markets fared even better than U.S. equities, benefiting from robust M&A activity and generally stronger economies.

In fixed income markets, mixed economic signals and the credit woes resulted in a flight to quality. At the height of the uncertainty, investors shunned bonds associated with the housing and credit markets in favor of higher-quality Treasury issues. The yield on 10-year Treasury issues, which touched 5.30% in June (its highest level in five years), fell to 4.48% by period-end, while prices correspondingly rose. The tax-exempt bond market has been challenged by a combination of record-setting supply year-to-date, economic uncertainty and concerns around the credit worthiness of bond insurers. This has brought municipal bond prices to relatively attractive levels and, as such, demand generally has remained firm.

As you navigate market volatility, we encourage you to review your investment goals with your financial professional and to make portfolio changes, as needed. For more market insight and commentary from BlackRock investment professionals, we invite you to visit www.blackrock.com/funds. As always, we thank you for entrusting BlackRock with your investment assets, and we look forward to continuing to serve you in the months and years ahead.

Sincerely,

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Robert C. Doll, Jr.
Vice Chairman, BlackRock, Inc.

Peter J. Hayes
Managing Director, BlackRock, Inc.

Trust Summary as of October 31, 2007

BlackRock Investment Quality Municipal Trust (BKN)

Investment Objective

The Trust's investment objective is to provide high current income which, in the opinion of bond counsel to the issuer, is exempt from regular Federal income tax consistent with the preservation of capital.

Trust Information

Symbol on New York Stock Exchange:	BKN
Initial Offering Date:	February 19, 1993
Yield on Closing Market Price as of October 31, 2007 (\$16.35): ¹	6.06%
Tax Equivalent Yield ²	9.32%
Current Monthly Distribution per Common Share: ³	\$0.0825
Current Annualized Distribution per Common Share: ³	\$0.9900
Leverage as of October 31, 2007: ⁴	37%

¹ Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.

² Tax equivalent yield assumes the maximum Federal tax rate of 35%.

³ A change in the distribution rate was declared on December 5, 2007. The Monthly Distribution per Common Share decreased to \$0.0800. The Yield on Closing Market Price, Current Monthly Distribution and Current Annualized Distribution do not reflect the new distribution rate. The new distribution rate is not constant and is subject to further change in the future.

⁴ As a percentage of managed assets (as defined in Note 3 of the Notes to Financial Statements).

The table below summarizes the changes in the Trust's market price and net asset value per share:

	10/31/07	10/31/06	Change	High	Low
Market Price	\$16.35	\$18.97	(13.81)%	\$19.90	\$13.99
Net Asset Value	\$14.73	\$15.79	(6.71)%	\$15.96	\$14.22

The following unaudited charts show the portfolio composition and credit quality allocations of the Trust's long-term investments:

Portfolio Composition

Sector	10/31/07	10/31/06
City, County & State	21%	23%
Hospitals	16	13
Industrial & Pollution Control	11	14
Power	10	10

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Housing	9	6
Transportation	9	8
Education	8	9
Lease Revenue	6	6
Tax Revenue	5	4
Water & Sewer	3	5
Tobacco	2	2

Credit Quality Allocations⁵

Credit Rating	10/31/07	10/31/06
AAA/Aaa	49%	51%
AA/Aa	17	13
A	8	6
BBB/Baa	14	16
BB/Ba	3	4
B	2	2
Not Rated	7 ⁶	8

⁵ Using the highest of Standard & Poor's (S&P's), Moody's Investors Service (Moody's) or Fitch Ratings (Fitch's) ratings.

⁶ The investment advisor has deemed certain of these non-rated securities to be of investment grade quality. As of October 31, 2007, the market value of these securities was \$6,340,657 representing 2% of the Trust's long-term investments.

Trust Summary as of October 31, 2007

BlackRock Municipal Income Trust (BFK)

Investment Objective

The Trust's investment objective is to provide current income which, in the opinion of bond counsel to the issuer, is exempt from regular Federal income tax.

Trust Information

Symbol on New York Stock Exchange:	BFK
Initial Offering Date:	July 27, 2001
Yield on Closing Market Price as of October 31, 2007 (\$15.92): ¹	6.03%
Tax Equivalent Yield ²	9.28%
Current Monthly Distribution per Common Share: ³	\$0.0800
Current Annualized Distribution per Common Share: ³	\$0.9600
Leverage as of October 31, 2007: ⁴	37%

¹ Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.

² Tax equivalent yield assumes the maximum Federal tax rate of 35%.

³ A change in the distribution rate was declared on December 5, 2007. The Monthly Distribution per Common Share was decreased to \$0.077500. The Yield on Closing Market Price, Current Monthly Distribution and Current Annualized Distribution do not reflect the new distribution rate. The new distribution rate is not constant and is subject to further change in the future.

⁴ As a percentage of managed assets (as defined in Note 3 of the Notes to Financial Statements).

The table below summarizes the changes in the Trust's market price and net asset value per share:

	10/31/07	10/31/06	Change	High	Low
Market Price	\$15.92	\$17.30	(7.98)%	\$18.74	\$13.92
Net Asset Value	\$14.55	\$15.37	(5.34)%	\$15.55	\$14.08

The following unaudited charts show the Trust's portfolio composition and credit quality allocations of the Trust's long-term investments:

Portfolio Composition

Sector	10/31/07	10/31/06
Hospitals	24%	21%
Industrial & Pollution Control	17	22
City, County & State	10	11
Transportation	10	9

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Housing	8	8
Power	8	7
Education	8	8
Tobacco	5	4
Tax Revenue	5	5
Lease Revenue	3	2
Water & Sewer	2	3

Credit Quality Allocations⁵

Credit Rating	10/31/07	10/31/06
AAA/Aaa	33%	30%
AA/Aa	13	9
A	21	21
BBB/Baa	18	21
BB/Ba	4	5
B	6	7
Not Rated	5 ⁶	7

⁵ Using the highest of S&P's, Moody's or Fitch's ratings.

⁶ The investment advisor has deemed certain of these non-rated securities to be of investment grade quality. As of October 31, 2007, the market value of these securities was \$12,328,689 representing 1% of the Trust's long-term investments.

Trust Summary as of October 31, 2007

BlackRock Long-Term Municipal Advantage Trust (BTA)

Investment Objective

The Trust's investment objective is to provide current income which, in the opinion of bond counsel to the issuer, is exempt from regular Federal income tax.

Trust Information

Symbol on New York Stock Exchange:	BTA
Initial Offering Date:	February 28, 2006
Yield on Closing Market Price as of October 31, 2007 (\$12.14): ¹	5.44%
Tax Equivalent Yield ²	8.37%
Current Monthly Distribution per Common Share: ³	\$0.0550
Current Annualized Distribution per Common Share: ³	\$0.6600

- ¹ Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.
- ² Tax equivalent yield assumes the maximum Federal tax rate of 35%.
- ³ The distribution is not constant and is subject to change.

The table below summarizes the changes in the Trust's market price and net asset value per share:

	10/31/07	10/31/06	Change	High	Low
Market Price	\$12.14	\$14.70	(17.41)%	\$15.30	\$11.41
Net Asset Value	\$13.72	\$14.89	(7.86)%	\$15.22	\$12.78

The following unaudited charts show the portfolio composition and credit quality allocations of the Trust's long-term investments:

Portfolio Composition

Sector	10/31/07	10/31/06
Education	21%	24%
Hospital	19	12
Housing	11	1
Tobacco	9	14
Transportation	9	13
Water & Sewer	9	10
Industrial & Pollution Control	8	14
Power	6	4

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Lease Revenue	4	4
City, County & State	3	4
Tax Revenue	1	

Credit Quality Allocations⁴

Credit Rating	10/31/07	10/31/06
AAA/Aaa	36%	33%
AA/Aa	32	21
A	3	4
BBB/Baa	17	33
BB/Ba	1	
B	3	2
Not Rated ⁵	8	7