

EATON VANCE CALIFORNIA MUNICIPAL INCOME TRUST
Form N-CSR
January 25, 2019

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: 811-09157

Eaton Vance California Municipal Income Trust
(Exact Name of Registrant as Specified in Charter)

Two International Place, Boston, Massachusetts 02110
(Address of Principal Executive Offices)

Maureen A. Gemma

Two International Place, Boston, Massachusetts 02110

(Name and Address of Agent for Services)

(617) 482-8260

(Registrant's Telephone Number)

November 30

Date of Fiscal Year End

November 30, 2018

Date of Reporting Period

Item 1. Reports to Stockholders

Eaton Vance

Municipal Income Trusts

Annual Report

November 30, 2018

California (CEV)

Massachusetts (MMV)

Michigan (EMI)

New Jersey (EVJ)

New York (EVY)

Ohio (EVO)

Pennsylvania (EVP)

Important Note. Beginning on January 1, 2021, as permitted by regulations adopted by the Securities and Exchange Commission, paper copies of each Fund's annual and semi-annual shareholder reports will no longer be sent by mail unless you specifically request paper copies of the reports. Instead, the reports will be made available on the Funds' website (funds.eatonvance.com/closed-end-fund-and-term-trust-documents.php), and you will be notified by mail each time a report is posted and provided with a website address to access the report.

If you already elected to receive shareholder reports electronically, you will not be affected by this change and you need not take any action. If you hold shares at the Funds' transfer agent, American Stock Transfer & Trust Company, LLC (AST), you may elect to receive shareholder reports and other communications from the Funds electronically by contacting AST. If you own your shares through a financial intermediary (such as a broker-dealer or bank), you must contact your financial intermediary to sign up.

You may elect to receive all future Fund shareholder reports in paper free of charge. If you hold shares at AST, you can inform AST that you wish to continue receiving paper copies of your shareholder reports by calling 1-866-439-6787. If you own these shares through a financial intermediary, you must contact your financial intermediary or follow instructions included with this disclosure, if applicable, to elect to continue to receive paper copies of your shareholder reports. Your election to receive reports in paper will apply to all funds held with AST or to all funds held through your financial intermediary, as applicable.

Commodity Futures Trading Commission Registration. Effective December 31, 2012, the Commodity Futures Trading Commission (CFTC) adopted certain regulatory changes that subject registered investment companies and advisers to regulation by the CFTC if a fund invests more than a prescribed level of its assets in certain CFTC-regulated instruments (including futures, certain options and swap agreements) or markets itself as providing investment exposure to such instruments. Each Fund has claimed an exclusion from the definition of the term commodity pool operator under the Commodity Exchange Act. Accordingly, neither the Funds nor the adviser with respect to the operation of the Funds is subject to CFTC regulation. Because of its management of other strategies, each Fund s adviser is registered with the CFTC as a commodity pool operator and a commodity trading advisor.

Fund shares are not insured by the FDIC and are not deposits or other obligations of, or guaranteed by, any depository institution. Shares are subject to investment risks, including possible loss of principal invested.

Annual Report November 30, 2018

Eaton Vance

Municipal Income Trusts

Table of Contents

Management's Discussion of Fund Performance	2
Performance and Fund Profile	
California Municipal Income Trust	4
Massachusetts Municipal Income Trust	5
Michigan Municipal Income Trust	6
New Jersey Municipal Income Trust	7
New York Municipal Income Trust	8
Ohio Municipal Income Trust	9
Pennsylvania Municipal Income Trust	10
Endnotes and Additional Disclosures	11
Financial Statements	12
Report of Independent Registered Public Accounting Firm	67
Federal Tax Information	68
Dividend Reinvestment Plan	69
Management and Organization	71
Important Notices	74

Eaton Vance

Municipal Income Trusts

November 30, 2018

Management's Discussion of Fund Performance

Economic and Market Conditions

The fiscal year that began December 1, 2017, was characterized by a flattening of the municipal bond yield curve.⁷ Driven by four federal funds rate hikes by the U.S. Federal Reserve Board (the Fed) starting in December 2017, and continuing in March, June, and September 2018, rates generally rose across the entire U.S. Treasury yield curve, more so at the short end of the curve.

In the opening month of the period, the municipal market experienced considerable volatility after the GOP-controlled House and Senate passed new tax legislation. The most significant change to the municipal market was the elimination of an issuer's ability to refinance debt prior to its call date through the issuance of advanced refunding bonds, which accounted for about 20% of new issuances over the previous decade. As a result, December 2017 witnessed the largest one-month issuance of new municipal debt, as issuers rushed to beat the December 31, 2017 deadline. Investors sold short maturity bonds to buy new-issue longer-maturity bonds in anticipation of lower supply going forward. The net result was a rise in prices on longer-term debt that drove a flattening of the yield curve in December 2017.

At the start of the new year, however, bond prices reversed direction. Signs of inflation, wage growth, and fears that new tax legislation might overheat the economy pushed short-term interest rates higher and longer-term bond prices lower. Upward pressure on short-term rates continued in March and June 2018 as the Fed delivered its first two rate hikes of the year. From April through the end of August 2018, fluctuating perceptions of geopolitical risk were a primary driver of rates at the long end of the curve. Investor sentiment toggled between concerns over a global trade war, optimism about economic growth, and uncertainties surrounding the strained relationship between the U.S. and North Korea.

In September 2018, the Fed hiked rates again and both U.S. Treasury and municipal rates rose across the curve. In October 2018, a strong U.S. employment report and easing concerns over Italy's national budget continued the upward pressure on longer-term rates. In the final month of the period, however, longer-term rates declined after the Fed made dovish comments about the future direction of interest rates and the Democrats won a majority in the House of Representatives, decreasing the possibility of further tax cuts in 2019.

During the 12-month period, the Bloomberg Barclays Municipal Bond Index (the Index),² a broad measure of the asset class, returned 1.13% as coupon income modestly outweighed the

negative effects of falling bond prices. While rates for AAA-rated⁸ bonds rose across the yield curve, rate increases were greater at the shorter end of the curve.

On a total return basis, bonds with 15 years or less remaining to maturity generally outperformed bonds with 20 or more years to maturity. At the same time, lower-rated bonds generally outperformed higher-rated issues. Municipal bonds, in general, outperformed comparable U.S. Treasuries during the period, with the exception of the 30-year area of the curve where municipals performed in line with U.S. Treasuries.

Fund Performance

For the fiscal year ended November 30, 2018, shares of the California, Massachusetts, Michigan, New York, Ohio, and Pennsylvania Trusts (the Funds) at net asset value (NAV) underperformed the 1.13% return of the Funds' benchmark, the Index, while the New Jersey Trust at NAV outperformed the Index.

Each Fund's overall strategy is to invest primarily in investment grade bonds of the Fund's particular state. Management may hedge investments against the potential risk of volatility associated with the use of leverage and by investing in bonds at the long end of the yield curve using U.S.

Edgar Filing: EATON VANCE CALIFORNIA MUNICIPAL INCOME TRUST - Form N-CSR

Treasury futures.

As a risk management tactic within each individual Fund, interest rate hedging is used to moderate performance on both the upside and downside of the market. During this period of declining municipal bond prices, the Funds' Treasury futures hedge mitigated some of the price declines, and contributed modestly to performance relative to the unhedged Index for the New Jersey and Pennsylvania Funds. The California, Massachusetts, Michigan, New York, and Ohio Funds did not employ a hedging strategy during the period.

During the fiscal year ended November 30, 2018, management employed leverage through Residual Interest Bond financing,⁶ Auction Preferred Shares (APS) and Institutional MuniFund Term Preferred Shares (iMTP) to seek to enhance the Funds' tax-exempt income. In general, the use of leverage has the effect of achieving additional exposure to the municipal market, and magnifying a Fund's exposure to its underlying investments in both up and down markets. During this period of rising rates and falling bond prices, the use of leverage amplified the relatively minor declines in the price of bonds owned by the Funds but also generated additional tax-exempt income. As of November 30, 2018, the Funds had no APS and iMTP Shares outstanding.

See Endnotes and Additional Disclosures in this report.

Past performance is no guarantee of future results. Returns are historical and are calculated by determining the percentage change in net asset value (NAV) or market price (as applicable) with all distributions reinvested and include management fees and other expenses. Fund performance at market price will differ from its results at NAV due to factors such as changing perceptions about the Fund, market conditions, fluctuations in supply and demand for Fund shares, or changes in Fund distributions. Investment return and principal value will fluctuate so that shares, when sold, may be worth more or less than their original cost. Performance less than or equal to one year is cumulative. Performance is for the stated time period only; due to market volatility, current Fund performance may be lower or higher than the quoted return. For performance as of the most recent month-end, please refer to eatonvance.com.

Eaton Vance

Municipal Income Trusts

November 30, 2018

[Management's Discussion of Fund Performance](#) continued

State-specific Results

Eaton Vance California Municipal Income Trust shares at NAV returned 0.70%, underperforming the 1.13% return of the Index. Detractors from Fund performance versus the Index included leveraged investments used by the Fund, and security selections in the health care sector and general obligation (GO) bonds. In contrast, performance relative to the Index was helped by security selection in A-rated and BBB-rated bonds, security selection and an overweight position in zero-coupon bonds, and security selection in insured Puerto Rico bonds.

Returns were supported by the relatively strong performance of Puerto Rico's debt structure during the period as ongoing bankruptcy negotiations signaled that bondholder recoveries may exceed initial expectations by the market. The Fund's insured Puerto Rico holdings were insured by various municipal bond insurers. It should be noted that most uninsured bonds issued by the Commonwealth of Puerto Rico and its conduit issuers were no longer included in the Index. As Puerto Rico continued to deal with its ongoing fiscal crisis during the period, bonds issued by different legal entities were influenced by a number of factors, including monetary default. As the period ended, Puerto Rico continued to negotiate with creditors to address its current debt structure under the Puerto Rico Oversight, Management, and Economic Stability Act passed by the U.S. Congress.

Eaton Vance Massachusetts Municipal Income Trust shares at NAV returned 0.82%, underperforming the 1.13% return of the Index. Leveraged investments used by the Fund, security selection in the education sector, and security selection in AA-rated bonds detracted from performance relative to the Index. During a period when lower-rated bonds outperformed higher-rated issues, an overweight in BBB-rated bonds and below contributed to performance versus the Index. Additional contributors to relative results included security selection and an overweight position in insured Puerto Rico bonds and holdings that were prerefunded during the period.

Eaton Vance Michigan Municipal Income Trust shares at NAV returned 0.20%, underperforming the 1.13% return of the Index. Detractors from performance relative to the Index included leveraged investments used by the Fund, an underweight in BBB-rated issues and security selection in the health care sector. In contrast, performance versus the Index was aided by an overweight position and security selection in insured Puerto Rico bonds, security selection in the water and sewer sector, and holdings that were prerefunded during the period.

Eaton Vance New Jersey Municipal Income Trust shares at NAV returned 1.53%, outperforming the 1.13% return of the Index. Security selection and an overweight position in insured and uninsured Puerto Rico bonds, security selection and an overweight position in BBB-rated bonds, and security selection in zero-coupon bonds all contributed to Fund performance versus the Index. Detractors from Fund performance relative to the Index included leveraged investments used by the Fund, security selection in state GO bonds, and security selection in AA-rated bonds.

Eaton Vance New York Municipal Income Trust shares at NAV returned 0.61%, underperforming the 1.13% return of the Index. Leveraged investments used by the Fund detracted from performance relative to the Index, as did security selection in the lease revenue/certificates of participation sector and security selection in 4.0% coupon bonds. Contributors to performance versus the Index included security selection in insured Puerto Rico bonds, an overweight position in BBB-rated bonds and below, and security selection in the housing sector.

Eaton Vance Ohio Municipal Income Trust shares at NAV returned 0.66%, underperforming the 1.13% return of the Index. Performance versus the Index was hurt by leveraged investments used by the Fund, security selection in local GO bonds, and an overweight and security selection in zero-coupon bonds. Contributors to results versus the Index included security selection and an overweight position in insured Puerto Rico bonds, security selection in the industrial development revenue sector, and security selection in the education sector.

Edgar Filing: EATON VANCE CALIFORNIA MUNICIPAL INCOME TRUST - Form N-CSR

Eaton Vance Pennsylvania Municipal Income Trust shares at NAV returned 0.05%, underperforming the 1.13% return of the Index. Leveraged investments used by the Fund, security selection in local GO bonds, and security selection in AAA-rated bonds all detracted from Fund performance versus the Index. Contributors to performance relative to the Index included security selection and an overweight position in insured Puerto Rico bonds, an overweight position in the health care sector, and holdings that were prerefunded during the period.

See Endnotes and Additional Disclosures in this report.

Past performance is no guarantee of future results. Returns are historical and are calculated by determining the percentage change in net asset value (NAV) or market price (as applicable) with all distributions reinvested and include management fees and other expenses. Fund performance at market price will differ from its results at NAV due to factors such as changing perceptions about the Fund, market conditions, fluctuations in supply and demand for Fund shares, or changes in Fund distributions. Investment return and principal value will fluctuate so that shares, when sold, may be worth more or less than their original cost. Performance less than or equal to one year is cumulative. Performance is for the stated time period only; due to market volatility, current Fund performance may be lower or higher than the quoted return. For performance as of the most recent month-end, please refer to eatonvance.com.

Eaton Vance

California Municipal Income Trust

November 30, 2018

Performance^{2,3}

Portfolio Manager Craig R. Brandon, CFA

% Average Annual Total Returns	Inception Date	One Year	Five Years	Ten Years
Fund at NAV	01/29/1999	0.70%	5.85%	9.05%
Fund at Market Price		4.76	4.89	8.01
Bloomberg Barclays Municipal Bond Index		1.13%	3.52%	4.88%

% Premium/Discount to NAV⁴

15.99%

Distributions⁵

Total Distributions per share for the period	\$ 0.465
Distribution Rate at NAV	3.85%
Taxable-Equivalent Distribution Rate at NAV	7.50%
Distribution Rate at Market Price	4.58%
Taxable-Equivalent Distribution Rate at Market Price	8.92%

% Total Leverage⁶

Residual Interest Bond (RIB) Financing 38.72%

Fund Profile

Credit Quality (% of total investments)^{8,9}

See Endnotes and Additional Disclosures in this report.

Past performance is no guarantee of future results. Returns are historical and are calculated by determining the percentage change in net asset value (NAV) or market price (as applicable) with all distributions reinvested and include management fees and other expenses. Fund performance at market price will differ from its results at NAV due to factors such as changing perceptions about the Fund, market conditions, fluctuations in supply and demand for Fund shares, or changes in Fund distributions. Investment return and principal value will fluctuate so that shares, when sold, may be worth more or less than their original cost. Performance less than or equal to one year is cumulative. Performance is for the stated time period only; due to market volatility, current Fund performance may be lower or higher than the quoted return. For performance as of the most recent month-end, please refer to eatonvance.com.

Eaton Vance

Massachusetts Municipal Income Trust

November 30, 2018

Performance^{2,3}

Portfolio Manager Craig R. Brandon, CFA

% Average Annual Total Returns	Inception Date	One Year	Five Years	Ten Years
Fund at NAV	01/29/1999	0.82%	5.23%	9.05%
Fund at Market Price		4.33	4.70	8.67
Bloomberg Barclays Municipal Bond Index		1.13%	3.52%	4.88%

% Premium/Discount to NAV ⁴	15.00%
--	--------

Distributions ⁵	
Total Distributions per share for the period	\$ 0.466
Distribution Rate at NAV	3.27%
Taxable-Equivalent Distribution Rate at NAV	5.82%
Distribution Rate at Market Price	3.85%
Taxable-Equivalent Distribution Rate at Market Price	6.85%

% Total Leverage ⁶	
RIB Financing	35.02%

Fund Profile

Credit Quality (% of total investments)^{8,9}

See Endnotes and Additional Disclosures in this report.

Past performance is no guarantee of future results. Returns are historical and are calculated by determining the percentage change in net asset value (NAV) or market price (as applicable) with all distributions reinvested and include management fees and other expenses. Fund performance at market price will differ from its results at NAV due to factors such as changing perceptions about the Fund, market conditions, fluctuations in supply and demand for Fund shares, or changes in Fund distributions. Investment return and principal value will fluctuate so that shares, when sold, may be worth more or less than their original cost. Performance less than or equal to one year is cumulative. Performance is for the stated time period only; due to market volatility, current Fund performance may be lower or higher than the quoted return. For performance as of the most recent month-end, please refer to eatonvance.com.

Eaton Vance

Michigan Municipal Income Trust

November 30, 2018

Performance^{2,3}

Portfolio Manager Cynthia J. Clemson

% Average Annual Total Returns	Inception Date	One Year	Five Years	Ten Years
Fund at NAV	01/29/1999	0.20%	6.76%	8.62%
Fund at Market Price		2.13	6.91	10.41
Bloomberg Barclays Municipal Bond Index		1.13%	3.52%	4.88%

% Premium/Discount to NAV⁴

14.16%

Distributions⁵

Total Distributions per share for the period	\$ 0.469
Distribution Rate at NAV	3.31%
Taxable-Equivalent Distribution Rate at NAV	5.84%
Distribution Rate at Market Price	3.85%
Taxable-Equivalent Distribution Rate at Market Price	6.79%

% Total Leverage⁶

RIB Financing 38.68%

Fund Profile

Credit Quality (% of total investments)^{8,9}

See Endnotes and Additional Disclosures in this report.

Past performance is no guarantee of future results. Returns are historical and are calculated by determining the percentage change in net asset value (NAV) or market price (as applicable) with all distributions reinvested and include management fees and other expenses. Fund performance at market price will differ from its results at NAV due to factors such as changing perceptions about the Fund, market conditions, fluctuations in supply and demand for Fund shares, or changes in Fund distributions. Investment return and principal value will fluctuate so that shares, when sold, may be worth more or less than their original cost. Performance less than or equal to one year is cumulative. Performance is for the stated time period only; due to market volatility, current Fund performance may be lower or higher than the quoted return. For performance as of the most recent month-end, please refer to eatonvance.com.

Eaton Vance

New Jersey Municipal Income Trust

November 30, 2018

Performance^{2,3}

Portfolio Manager Adam A. Weigold, CFA

% Average Annual Total Returns	Inception Date	One Year	Five Years	Ten Years
Fund at NAV	01/29/1999	1.53%	5.58%	9.68%
Fund at Market Price		0.64	4.76	8.99
Bloomberg Barclays Municipal Bond Index		1.13%	3.52%	4.88%
% Premium/Discount to NAV⁴				15.08%