DREYFUS MUNICIPAL INCOME INC Form N-Q February 24, 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 811-5652

Dreyfus Municipal Income, Inc. (Exact name of Registrant as specified in charter)

c/o The Dreyfus Corporation

200 Park Avenue

New York, New York 10166 (Address of principal executive offices) (Zip code)

Michael A. Rosenberg, Esq.

200 Park Avenue

New York, New York 10166 (Name and address of agent for service)

Registrant's telephone number, including area code: (212) 922-6000

Date of fiscal year end: 09/30

Date of reporting period: 12/31/2010

## FORM N-Q

Item 1. Schedule of Investments.

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### STATEMENT OF INVESTMENTS

Dreyfus Municipal Income, Inc.

December 31, 2010 (Unaudited)

Long-Term Municipal	Coupon	Maturity	Principal	
Investments152.3%	Rate (%)	Date	Amount (\$)	Value (\$)
Arizona10.7%				
Barclays Capital Municipal Trust				
Receipts (Salt River Project				
Agricultural Improvement and				
Power District, Salt River				
Project Electric System				
Revenue)	5.00	1/1/38	10,000,000 a,b	9,992,600
City of Phoenix, County of				
Maricopa and the County of				
Pima Industrial Development				
Authorities, SFMR				
(Collateralized: FHLMC, FNMA				
and GNMA)	5.80	12/1/39	1,405,000	1,431,920
Glendale Western Loop 101 Public				
Facilities Corporation, Third				
Lien Excise Tax Revenue	6.25	7/1/28	1,000,000	1,034,570
Glendale Western Loop 101 Public				
Facilities Corporation, Third				
Lien Excise Tax Revenue	7.00	7/1/28	2,000,000	2,112,160
Pima County Industrial Development				
Authority, Education Revenue				
(American Charter Schools				
Foundation Project)	5.63	7/1/38	2,000,000	1,660,060
Pima County Industrial Development				
Authority, IDR (Tucson				
Electric Power Company Project)	5.25	10/1/40	1,000,000	877,700
Pinal County Electrical District				
Number 4, Electric System				
Revenue	6.00	12/1/38	2,300,000	2,175,156
California26.1%				
ABAG Financial Authority for				
Nonprofit Corporations,				
Insured Revenue, COP (Odd				

Fellows Home of California)	6.00	8/15/24	5,000,000 c	5,115,900
Barclays Capital Municipal Trust				
Receipts (California				
Infrastructure and Economic				
Development Bank, Revenue				
(Sanford Consortium Project))	5.00	5/15/40	10,000,000 a,b,c	9,707,300
California,				
GO (Various Purpose)	5.75	4/1/31	3,950,000	3,989,618
California,				
GO (Various Purpose)	5.00	11/1/32	1,500,000	1,382,865
California,				
GO (Various Purpose)	6.50	4/1/33	3,000,000	3,220,140
California,				
GO (Various Purpose)	6.00	11/1/35	2,500,000	2,566,075
California Health Facilities				
Financing Authority, Revenue				
(Sutter Health)	6.25	8/15/35	2,500,000 c	2,508,550
Chabot-Las Positas Community				
College District, GO (Insured;				
AMBAC)	0.00	8/1/32	6,000,000 d	1,403,100
Chula Vista,				
IDR (San Diego Gas and				
Electric Company)	5.88	2/15/34	2,000,000	2,124,580
Golden State Tobacco				
Securitization Corporation,				
Tobacco Settlement				
Asset-Backed Bonds	5.00	6/1/33	2,500,000	1,725,850
Golden State Tobacco				
Securitization Corporation,				
Tobacco Settlement				
Asset-Backed Bonds				
(Prerefunded)	7.80	6/1/13	3,000,000 e	3,458,490
Sacramento County,				
Airport System Subordinate and				
Passenger Facility Charges				
Grant Revenue	6.00	7/1/35	2,250,000	2,323,957
San Diego Public Facilities				
Financing Authority, Senior				
Sewer Revenue	5.25	5/15/34	1,000,000	1,015,500

San Francisco City and County

5.00	11/1/29	2,210,000	2,229,492
5.00	6/1/37	3,500,000	2,424,485
5.88	1/1/29	1,500,000	1,586,175
8.00	12/1/40	1,500,000	1,695,375
6.13	6/1/38	2,525,000 c	2,544,518
6.38	12/15/30	2,890,000 c	2,872,140
5.25	9/1/25	1,000,000	915,570
5.38	6/1/38	1,500,000	1,534,575
6.25	10/1/20	3,980,000	4,451,073
5.00	10/1/41	2,500,000	2,256,625
5.50	8/1/34	2,000,000	2,047,280
	5.00 5.88 8.00 6.13 6.38 5.25 5.38 6.25 5.00	5.00       6/1/37         5.88       1/1/29         8.00       12/1/40         6.13       6/1/38         6.38       12/15/30         5.25       9/1/25         5.38       6/1/38         6.25       10/1/20         5.00       10/1/41	5.00 6/1/37 3,500,000  5.88 1/1/29 1,500,000  8.00 12/1/40 1,500,000  6.13 6/1/38 2,525,000 c 6.38 12/15/30 2,890,000 c 5.25 9/1/25 1,000,000  5.38 6/1/38 1,500,000  6.25 10/1/20 3,980,000 5.00 10/1/41 2,500,000

(Presbyterian Retirement

Communities Project)	5.88	8/1/40	2,500,000	2,446,675
South Lake County Hospital				
District, Revenue (South Lake				
Hospital, Inc.)	6.25	4/1/39	1,000,000 c	993,060
Georgia2.7%				
Atlanta,				
Water and Wastewater Revenue	6.00	11/1/28	3,000,000	3,186,570
Atlanta,				
Water and Wastewater Revenue				
(Insured; Assured Guaranty				
Municipal Corp.)	5.25	11/1/34	1,750,000	1,717,205
Hawaii2.9%				
Hawaii Department of Budget and				
Finance, Special Purpose				
Revenue (Hawai'i Pacific				
Health Obligated Group)	5.75	7/1/40	2,795,000 c	2,687,700
Hawaii Department of Budget and				
Finance, Special Purpose				
Revenue (Hawaiian Electric				
Company, Inc. and Subsidiary				
Projects)	6.50	7/1/39	2,400,000	2,488,680
Illinois1.1%				
Railsplitter Tobacco Settlement				
Authority, Tobacco Settlement				
Revenue	6.00	6/1/28	2,000,000	1,968,080
Indiana1.2%				
Indianapolis Local Public				
Improvement Bond Bank, Revenue				
(Indianapolis Airport				
Authority Project) (Insured;				
AMBAC)	5.00	1/1/36	2,500,000	2,227,175
Louisiana6%				
Louisiana Public Facilities				
Authority, Revenue (CHRISTUS				
Health Obligated Group)	6.13	7/1/29	1,000,000 c	1,034,440
Maryland3.3%				
Maryland Economic Development				
Corporation, EDR				
(Transportation Facilities				

Project) 5.75 6/1/35 1,000,000 944,900

Maryland Economic Development				
Corporation, PCR (Potomac				
Electric Project)	6.20	9/1/22	2,500,000	2,822,750
Maryland Economic Development			, ,	
Corporation, Student Housing				
Revenue (University of				
Maryland, College Park				
Project) (Prerefunded)	5.63	6/1/13	2,000,000 e	2,224,120
Massachusetts17.4%				
Barclays Capital Municipal Trust				
Receipts (Massachusetts Health				
and Educational Facilities				
Authority, Revenue (Harvard				
University Issue))	5.00	12/15/34	10,000,000 a,b	10,279,600
Barclays Capital Municipal Trust				
Receipts (Massachusetts Health				
and Educational Facilities				
Authority, Revenue				
(Massachusetts Institute of				
Technology Issue))	5.00	7/1/38	10,000,000 a,b	10,158,000
Massachusetts Health and				
Educational Facilities				
Authority, Healthcare System				
Revenue (Covenant Health				
Systems Obligated Group Issue)	6.00	7/1/31	1,970,000	1,986,095
Massachusetts Health and				
Educational Facilities				
Authority, Revenue (Suffolk				
University Issue)	6.25	7/1/30	2,000,000	2,070,580
Massachusetts Housing Finance				
Agency, Rental Housing				
Mortgage Revenue (Insured;				
AMBAC)	5.50	7/1/40	2,230,000	1,791,627
Massachusetts Industrial Finance				
Agency, Water Treatment				
Revenue				
(Massachusetts-American				
Hingham Project)	6.95	12/1/35	5,235,000	5,136,791
Michigan7.2%				

Detroit,

Sewage Disposal System Senior

Lien Revenue (Insured; Assured				
Guaranty Municipal Corp.)	7.50	7/1/33	2,140,000	2,473,904
Michigan Hospital Finance				
Authority, HR (Henry Ford				
Health System)	5.00	11/15/38	1,515,000 c	1,318,353
Michigan Strategic Fund,				
SWDR (Genesee Power Station				
Project)	7.50	1/1/21	4,185,000	3,872,966
Royal Oak Hospital Finance				
Authority, HR (William				
Beaumont Hospital Obligated				
Group)	8.00	9/1/29	2,500,000 c	2,877,975
Wayne County Airport Authority,				
Airport Revenue (Detroit				
Metropolitan Wayne County				
Airport) (Insured; National				
Public Finance Guarantee Corp.)	5.00	12/1/34	3,000,000	2,493,840
Minnesota1.8%				
Minneapolis,				
Health Care System Revenue				
(Fairview Health Services)	6.75	11/15/32	3,000,000 c	3,238,740
Minnesota Agricultural and				
Economic Development Board,				
Health Care System Revenue				
(Fairview Health Care Systems)	6.38	11/15/29	80,000 c	80,358
Mississippi3.3%				
Mississippi Business Finance				
Corporation, PCR (System				
Energy Resources, Inc. Project)	5.88	4/1/22	6,000,000	5,904,000
Missouri0%				
Missouri Housing Development				
Commission, SFMR				
(Homeownership Loan Program)				
(Collateralized: FNMA and GNMA)	6.30	9/1/25	70,000	71,379
Nevada2.2%				
Clark County,				
IDR (Southwest Gas Corporation				
Project) (Insured; AMBAC)	6.10	12/1/38	4,000,000	3,999,760
New Hampshire1.2%				

New Hampshire Business Finance

Authority, PCR (Public Service				
Company of New Hampshire				
Project) (Insured; AMBAC)	6.00	5/1/21	2,135,000	2,146,209
New Jersey4.5%				
New Jersey Economic Development				
Authority, Water Facilities				
Revenue (New Jersey - American				
Water Company, Inc. Project)	5.70	10/1/39	2,000,000	1,962,660
New Jersey Higher Education				
Student Assistance Authority,				
Student Loan Revenue (Insured;				
Assured Guaranty Municipal				
Corp.)	6.13	6/1/30	2,500,000	2,543,900
Tobacco Settlement Financing				
Corporation of New Jersey,				
Tobacco Settlement				
Asset-Backed Bonds	5.00	6/1/29	5,000,000	3,655,050
New Mexico1.6%				
Farmington,				
PCR (Public Service Company of				
New Mexico San Juan Project)	5.90	6/1/40	3,000,000	2,869,380
New York1.7%				
New York City Industrial				
Development Agency, PILOT				
Revenue (Yankee Stadium				
Project) (Insured; Assured				
Guaranty Municipal Corp.)	7.00	3/1/49	1,435,000	1,580,796
Port Authority of New York and New				
Jersey, Special Project				
Revenue (JFK International Air				
Terminal LLC Project)	6.00	12/1/36	1,500,000	1,490,160
North Carolina3.1%				
Barclays Capital Municipal Trust				
Receipts (North Carolina				
Medical Care Commission,				
Health Care Facilities Revenue				
(Duke University Health				
System))	5.00	6/1/42	5,000,000 a,b,c	4,838,300
North Carolina Housing Finance				

Agency, Home Ownership Revenue 6.25 1/1/29 830,000 830,498

Ohio3.4%				
Butler County,				
Hospital Facilities Revenue				
(UC Health)	5.50	11/1/40	2,500,000 c	2,250,700
Ohio Air Quality Development				
Authority, Air Quality Revenue				
(Ohio Valley Electric				
Corporation Project)	5.63	10/1/19	2,100,000	2,166,381
Toledo-Lucas County Port				
Authority, Special Assessment				
Revenue (Crocker Park Public				
Improvement Project)	5.38	12/1/35	2,000,000	1,631,260
Pennsylvania4.4%				
Delaware County Industrial				
Development Authority, Charter				
School Revenue (Chester				
Community Charter School				
Project)	6.13	8/15/40	2,500,000	2,285,825
Lancaster Higher Education				
Authority, College Revenue				
(Franklin and Marshall College				
Project)	5.00	4/15/37	2,000,000	1,912,520
Pennsylvania Economic Development				
Financing Authority, RRR				
(Northampton Generating				
Project)	6.60	1/1/19	3,500,000	1,936,550
Sayre Health Care Facilities				
Authority, Revenue (Guthrie				
Health)	5.88	12/1/31	1,755,000 c	1,765,144
Rhode Island1.1%				
Tobacco Settlement Financing				
Corporation of Rhode Island,				
Tobacco Settlement				
Asset-Backed Bonds	6.13	6/1/32	2,000,000	1,961,340
South Carolina7.0%				
Lancaster Educational Assistance				
Program, Inc., Installment				
Purchase Revenue (The School				
District of Lancaster County,				

South Carolina, Project) 5.00 12/1/26 5,000,000 4,903,000

South Carolina Public Service				
Authority, Revenue Obligations	5.50	1/1/38	3,000,000	3,131,070
Tobacco Settlement Revenue				
Management Authority of South				
Carolina, Tobacco Settlement				
Asset-Backed Bonds	6.38	5/15/30	3,750,000	4,586,775
Tennessee6%				
Johnson City Health and				
Educational Facilities Board,				
Hospital First Mortgage				
Revenue (Mountain States				
Health Alliance)	5.50	7/1/36	1,150,000 c	1,032,654
Texas9.1%				
Barclays Capital Municipal Trust				
Receipts (Texas A&M University				
System Board of Regents,				
Financing System Revenue)	5.00	5/15/39	5,000,000 a,b	5,001,550
La Vernia Higher Education Finance				
Corporation, Education Revenue				
(Knowledge is Power Program,				
Inc.)	6.25	8/15/39	2,250,000	2,199,982
Lubbock Educational Facilities				
Authority, Improvement Revenue				
(Lubbock Christian University)	5.25	11/1/37	1,500,000	1,339,770
North Texas Tollway Authority,				
First Tier System Revenue				
(Insured; Assured Guaranty				
Municipal Corp.)	5.75	1/1/40	4,000,000	4,076,040
North Texas Tollway Authority,				
Second Tier System Revenue	5.75	1/1/38	4,000,000	3,785,520
Utah0%				
Utah Housing Finance Agency,				
SFMR (Collateralized; FHA)	6.00	1/1/31	30,000	30,148
Vermont1.0%				
Vermont Educational and Health				
Buildings Financing Agency,				
Revenue (Saint Michael's				
College Project)	6.00	10/1/28	1,500,000	1,526,205
Vermont Housing Finance Agency,				

SFHR (Insured; Assured

Guaranty Municipal Corp.)	6.40	11/1/30	240,000	244,836
Virginia1.2%				
Washington County Industrial				
Development Authority, HR				
(Mountain States Health				
Alliance)	7.25	7/1/19	2,000,000 c	2,247,680
Washington4.3%				
Washington Health Care Facilities				
Authority, Mortgage Revenue				
(Highline Medical Center)				
(Collateralized; FHA)	6.25	8/1/36	3,000,000 c	3,130,260
Washington Health Care Facilities				
Authority, Revenue (Catholic				
Health Initiatives)	6.38	10/1/36	1,500,000 c	1,602,225
Washington Housing Finance				
Commission, Revenue				
(Single-Family Program)				
(Collateralized: FHLMC, FNMA				
and GNMA)	5.15	6/1/37	3,160,000	2,948,470
West Virginia5%				
The County Commission of Harrison				
County, SWDR (Allegheny Energy				
Supply Company, LLC Harrison				
Station Project)	5.50	10/15/37	1,000,000	893,470
Wisconsin2.6%				
Wisconsin Health and Educational				
Facilities Authority, Revenue				
(Aurora Health Care, Inc.)	5.60	2/15/29	4,780,000 c	4,758,108
Wyoming1.9%				
Sweetwater County,				
SWDR (FMC Corporation Project)	5.60	12/1/35	1,500,000	1,358,670
Wyoming Municipal Power Agency,				
Power Supply System Revenue	5.50	1/1/38	2,000,000	2,024,300
U.S. Related10.5%				
Government of Guam,				
LOR (Section 30)	5.75	12/1/34	1,500,000	1,463,760
Puerto Rico Commonwealth,				
Public Improvement GO	5.50	7/1/32	1,000,000	972,980
Puerto Rico Commonwealth,				

Public Improvement GO	6.	.00	7/1/39	1,500,000	1,517,910
Puerto Rico Electric Power					
Authority, Power Revenue	5.	.00	7/1/37	1,945,000	1,755,110
Puerto Rico Electric Power					
Authority, Power Revenue	5.	50	7/1/38	5,400,000	5,236,326
Puerto Rico Electric Power					
Authority, Power Revenue	5.	25	7/1/40	1,500,000	1,400,100
Puerto Rico Sales Tax Financing					
Corporation, Sales Tax Revenue					
(First Subordinate Series)	5.	38	8/1/39	1,000,000	963,920
Puerto Rico Sales Tax Financing					
Corporation, Sales Tax Revenue					
(First Subordinate Series)	6.	.00	8/1/42	5,500,000	5,621,715
Total Long-Term Municipal Investm	ents				
(cost \$275,153,104)					274,457,949
Short-Term Municipal	Coupon	Maturit	v	Dringing	
•	•		У	Principal	
Investment8%	Rate (%)	Date	у	Amount (\$)	Value (\$)
•	•		у	-	Value (\$)
Investment8%	•		y	-	Value (\$)
Investment8% New York;	•		y	-	Value (\$)
Investment8%  New York;  New York City,	•		y	-	Value (\$)
Investment8%  New York;  New York City,  GO Notes (LOC; JPMorgan Chase	Rate (%)		<b>1/1/11</b>	-	Value (\$)
Investment8%  New York;  New York City,  GO Notes (LOC; JPMorgan Chase  Bank)	Rate (%)	Date		Amount (\$)	
Investment8%  New York;  New York City,  GO Notes (LOC; JPMorgan Chase Bank)  (cost \$1,400,000)	Rate (%)  0. 4)	Date		Amount (\$) 1,400,000 f	1,400,000
Investment8%  New York;  New York City,  GO Notes (LOC; JPMorgan Chase Bank)  (cost \$1,400,000)  Total Investments (cost \$276,553,10)	0.4)	Date		Amount (\$)  1,400,000 f  153.1%	1,400,000 275,857,949

a Collateral for floating rate borrowings.

- b Securities exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers. At December 31, 2010, these securities had a market value of \$49,977,350 or 27.7% of net assets applicable to Common Shareholders.
- c At December 31, 2010, the fund had \$56,604,105 or 31.4% of net assets applicable to Common Shareholders invested in securities whose payment of principal and interest is dependent upon revenues generated from health care.
- d Security issued with a zero coupon. Income is recognized through the accretion of discount.
- e These securities are prerefunded; the date shown represents the prerefunded date. Bonds which are prerefunded are collateralized by U.S. Government securities which are held in escrow and are used to pay principal and interest on the municipal issue and to retire the bonds in full at the earliest refunding date.
- f Variable rate demand note rate shown is the interest rate in effect at December 31, 2010. Maturity date represents the

next demand date, or the ultimate maturity date if earlier.

At December 31, 2010, the aggregate cost of investment securities for income tax purposes was \$276,553,104. Net unrealized depreciation on investments was \$695,155 of which \$7,627,431 related to appreciated investment securities and \$8,322,586 related to depreciated investment securities.

### Summary of Abbreviations

ABAG	Association of Bay Area Governments	ACA	American Capital Access
AGC	ACE Guaranty Corporation	AGIC	Asset Guaranty Insurance Company
AMBAC	American Municipal Bond Assurance Corporation	ARRN	Adjustable Rate Receipt Notes
BAN	Bond Anticipation Notes	BPA	Bond Purchase Agreement
CIFG	CDC Ixis Financial Guaranty	COP	Certificate of Participation
CP	Commercial Paper	EDR	Economic Development Revenue
EIR	Environmental Improvement Revenue	FGIC	Financial Guaranty Insurance Company
FHA	Federal Housing Administration	FHLB	Federal Home Loan Bank
FHLMC	Federal Home Loan Mortgage Corporation	FNMA	Federal National Mortgage Association
GAN	Grant Anticipation Notes	GIC	Guaranteed Investment Contract
GNMA	Government National Mortgage Association	GO	General Obligation
HR	Hospital Revenue	IDB	Industrial Development Board
IDC	Industrial Development Corporation	IDR	Industrial Development Revenue
LOC	Letter of Credit	LOR	Limited Obligation Revenue
LR	Lease Revenue	MFHR	Multi-Family Housing Revenue
MFMR	Multi-Family Mortgage Revenue	PCR	Pollution Control Revenue
PILOT	Payment in Lieu of Taxes	PUTTERS	Puttable Tax-Exempt Receipts

RAC	Revenue Anticipation Certificates	RAN	Revenue Anticipation Notes
RAW	Revenue Anticipation Warrants	RRR	Resources Recovery Revenue
SAAN	State Aid Anticipation Notes	SBPA	Standby Bond Purchase Agreement
SFHR	Single Family Housing Revenue	SFMR	Single Family Mortgage Revenue
SONYMA	State of New York Mortgage Agency	SWDR	Solid Waste Disposal Revenue
TAN	Tax Anticipation Notes	TAW	Tax Anticipation Warrants
TRAN	Tax and Revenue Anticipation Notes	XLCA	XL Capital Assurance

Various inputs are used in determining the value of the fund's investments relating to fair value measurements.

These inputs are summarized in the three broad levels listed below.

- Level 1 unadjusted 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.

The following is a summary of the inputs used as of December 31, 2010 in valuing the fund's investments:

	Level 1 - Unadjusted Quoted	Level 2 - Other Significant	Level 3 -Significant Unobservable	
Assets (\$)	Prices	Observable Inputs	Inputs	Total
Investments in Securities:				
Municipal Bonds	-	275,857,949	-	275,857,949

The Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") is the exclusive reference of authoritative U.S. generally accepted accounting principles ("GAAP") recognized by the FASB to be applied by nongovernmental entities. Rules and interpretive releases of the Securities and Exchange Commission ("SEC") under authority of federal laws are also sources of authoritative GAAP for SEC registrants. The fund's financial statements are prepared in accordance with GAAP, which may require the use of management estimates and assumptions. Actual results could differ from those estimates.

Portfolio valuation: Investments in municipal debt securities are

O pendent pricing service (the "Service") approved by the Board of Directors. Investments for which quoted bid prices are readily available and are representative of the bid side of the market in the judgment of the Service are valued at the mean between the quoted bid prices (as obtained by the Service from dealers in such securities) and asked prices (as calculated by the Service based upon its evaluation of the market for such securities). Other investments (which constitute a majority of the portfolio securities) are carried at fair value as determined by the Service, based on methods which include consideration of: yields or prices of municipal securities of comparable quality, coupon, maturity and type; indications as to values from dealers; and general market conditions. Options and financial futures on municipal and U.S.Treasury securities are valued at the last sales price on the securities exchange on which such securities are primarily traded or at the last sales price on the national securities market on the last business day of each week and month.

The fund adopted the provisions of ASC Topic 815 "Derivatives and Hedging" which requires qualitative disclosures about objectives and strategies for using derivatives, quantitative disclosures about fair value amounts of gains and losses on derivative instruments and disclosures about credit-risk-related contingent features in derivative agreements. The fund held no derivatives during the period ended December 31, 2010.

Additional investment related disclosures are hereby incorporated by reference to the annual and semi-annual reports previously filed with the Securities and Exchange Commission on Form N-CSR.

### Item 2. Controls and Procedures.

- (a) The Registrant's principal executive and principal financial officers have concluded, based on their evaluation of the Registrant's disclosure controls and procedures as of a date within 90 days of the filing date of this report, that the Registrant's disclosure controls and procedures are reasonably designed to ensure that information required to be disclosed by the Registrant on Form N-Q is recorded, processed, summarized and reported within the required time periods and that information required to be disclosed by the Registrant in the reports that it files or submits on Form N-Q is 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 to the Registrant's internal control over financial reporting that occurred during the Registrant's most recently ended fiscal quarter that have materially affected, or are reasonably likely to materially affect, the Registrant's internal control over financial reporting.

#### Item 3. Exhibits.

(a) Certifications of principal executive and principal financial officers as required by Rule 30a-2(a) under the Investment Company Act of 1940.

#### **FORM N-Q**

#### **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.

Dreyfus Municipal Income, Inc.

By: /s/Bradley J. Skapyak
Bradley J. Skapyak

President

Date: February 23, 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/ Bradley J. Skapyak

Bradley J. Skapyak

President

Date: February 23, 2011

By: /s/ James Windels

James Windels

Treasurer

Date: February 23, 2011

#### **EXHIBIT INDEX**

(a) Certifications of principal executive and principal financial officers as required by Rule 30a-2(a) under the Investment Company Act of 1940. (EX-99.CERT)