

SECURITIES AND EXCHANGE COMMISSION

FORM N-30B-2

Periodic and interim reports mailed to investment company shareholders (other than annual and semi-annual reports mailed to shareholders pursuant to Rule 30e-1)

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FILER

SMITH BARNEY SHEARSON INCOME TRUST

CIK: **880366** | State of Incorporation: **MA** | Fiscal Year End: **1130**
Type: **N-30B-2** | Act: **40** | File No.: **811-06444** | Film No.: **95557274**

Mailing Address	Business Address
<i>TWO WORLD TRADE CENTER NEW YORK NY 10048</i>	<i>TWO WORLD TRADE CENTER NEW YORK NY 10048 2124648068</i>

[GRAPHIC]
SMALL BOX ABOVE FUND NAME SHOWING
AN AERIAL SHOT OF THE LAND AND
OCEAN SURROUNDING IT.

SEMI- SMITH BARNEY
ANNUAL LIMITED
REPORT MATURITY
MUNICIPALS
FUND

.....
MAY 31, 1995

[LOGO]

Limited Maturity Municipals Fund
DEAR SHAREHOLDER:

We are pleased to provide you with the
semiannual report and
portfolio of investments for Smith Barney
Limited Maturity
Municipals Fund for the six-month period
ended May 31, 1995.

Although bond prices declined precipitously during
the first part of
the Fund's fiscal year, the municipal market
improved in late 1994 and
into 1995, allowing the Fund to provide investors
in Class A shares
with a total return of 4.66% for the six-month
period ended May 31,
1995. Class C shares, a newly-available class of
shares, earned a
total return of 4.55% for the period between
November 17, 1994 and May
31, 1995. Additional performance data for each
class of shares during
this and previous reporting periods is available
in the "Financial
Highlights" section of this report.

ECONOMIC AND MARKET UPDATE

After implementing tighter monetary policy by
raising the Federal
funds rate 300 basis points (three percentage
points) over a 13-month
period beginning in February 1994, the Federal

Reserve Board has

succeeded in slowing the rate of economic growth. Growth continued to slow during the second quarter of 1995 with the decline in consumption expenditures intensifying. The retail sector of the economy appears even softer and most retail chains seem to have little pricing power. Even the automobile industry, which enjoyed a very strong 1994, has encountered weaker sales in 1995. Individuals financed a large portion of their purchases with debt throughout 1994 and as a result individuals' debt levels are becoming a source of concern. This is acting as a drag on consumption expenditures and could continue to hamper consumption trends for the rest of 1995 as consumers try to bring their debt levels down to more manageable levels. The industrial side of the economy has benefited from strong overseas demand but this also appears to be moderating based upon recent economic statistics on industrial production. In summary, while we do not anticipate a recession, we believe an economic slowdown exists that will present more of a challenge to corporate profitability, especially in those sectors of the economy that depend on the consumer. Although unemployment rates are relatively low, the corporate sector continues to trim costs and cut payrolls, which could further hinder consumer spending.

After initially rising for most of 1994 as the Federal Reserve raised short-term interest rates, longer-term interest rates declined since November as it

1

became apparent that the Federal Reserve was successfully slowing the rate of economic growth and keeping inflation under control. The municipal market had stronger performance during the first five months of 1995. New bond issuance is at remarkably low levels nationally, contributing to

increases in prices for tax-exempt securities. A defining moment for the municipal market occurred when Orange County, California filed for bankruptcy in December of 1994 and cast a pall on the entire market. Its impact on the broader market since then has been minimal, but has strongly impacted the securities of the County itself.

Some uncertainties surround the market, however. Among these are the many flat tax proposals being championed by members of both political parties. Real legislative action is several years away and must be REVENUE NEUTRAL to make any economic sense -- a very difficult balancing act to accomplish. These discussions have caused periodic weakness in the municipal market during the past months and will no doubt continue to cause periodic weakness over the next few years, which may create some attractive investment opportunities.

PORTFOLIO STRATEGY

At the end of this reporting period, 98% of the portfolio was rated investment grade (BBB/Baa and higher) by either Standard & Poor's Corporation or Moody's Investors Service, Inc. The Fund invested its assets in general obligation, hospital, education, and housing bonds. The average maturity of the Fund was 2.2 years as of May 31, 1995. This investment allocation is very similar to the one we reported to you in the Fund's annual report.

We look forward to reporting to you in the Fund's next report to investors. Should you have any questions about your investment in the Fund or how other Smith Barney mutual funds may be useful in helping you reach your financial goals, please speak with your Smith Barney Financial Consultant.

Heath B. McLendon
McDermott
CHAIRMAN OF THE BOARD

Lawrence T.
VICE PRESIDENT AND

JULY 18, 1995

2

Smith Barney
 Limited Maturity Municipals Fund

 PORTFOLIO HIGHLIGHTS (UNAUDITED)
 MAY 31, 1995

INDUSTRY BREAKDOWN

Pie chart depicting the allocation of the Income Trust
 Limited Maturity
 Municipals Fund investment securities held at May 31, 1995
 by industry
 classification. The pie is broken in pieces representing
 industries in the
 following percentages:

<TABLE>

<CAPTION>

INDUSTRY BREAKDOWN	PERCENTAGE
<S>	<C>
Pollution Control	6.7%
Hospital	17.7%
Industrial Control	3.2%
Utility Revenue	8.6%
General Obligation	19.5%
Privately Placed Tax-Exempt Municipal Lease Agreement and Net Other Assets and Liabilities	1.7%
Other Municipal Bonds and Notes	9.8%
Education	15.7%
Housing	11.6%
Transportation	5.5%

	100.0%

</TABLE>

SUMMARY OF MUNICIPAL BONDS BY COMBINED RATINGS.

<TABLE>

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Moody's	Standard & Poor's	Percent of Value
<S>	<C>	<C>

AAA	OR	AAA	34.6%
AA		AA	19.9
A		A	21.3
BAA		BBB	22.7
NR		NR	1.5
			100.0%

</TABLE>

AVERAGE MATURITY 2.2 years

3

Smith Barney
Limited Maturity Municipals Fund

PORTFOLIO OF INVESTMENTS (UNAUDITED)
MAY 31, 1995

<TABLE>

<S> <C>

KEY TO INSURANCE ABBREVIATIONS

AMBAC -- American Municipal Bond Assurance Corporation
CGIC -- Capital Guaranty Insurance Corporation
FGIC -- Federal Guaranty Insurance Corporation
FHA -- Federal Housing Administration
FSA -- Financial Security Assurance
MBIA -- Municipal Bond Investors Assurance

</TABLE>

<TABLE>

<CAPTION>

RATINGS

MARKET VALUE

FACE VALUE

S&P (NOTE 1)

MOODY'S

<C> <S>

<C>

<C> <C>

MUNICIPAL BONDS AND NOTES -- 98.3%		
		ARIZONA -- 1.3%
\$ 810,000		Yuma & La Paz County,
		Arizona, Community College
		District, (Arizona Western
		College), (AMBAC Insured),
		6.200% due 7/1/98
		Aaa
AAA \$ 844,425		
		CALIFORNIA -- 1.5%
1,000,000		Central Valley, California,
		Financing Authority,
		Cogeneration Project
		Revenue, (Carson Inc.),
		5.000% due 7/1/98
		NR
BBB- 993,750		
		COLORADO -- 2.3%
610,000		Arapahoe County, Colorado,
		Certificates of
		Participation, (AMBAC
		Insured),
		5.400% due 12/1/96
		Aaa
AAA 620,675		
360,000		Colorado Housing Finance
		Authority, Single Family
		Project, Series A3,
		5.750% due 5/1/97
		NR
AA 364,950		
500,000		Meridian, Colorado,
		Metropolitan District,
		General Obligation,
		Refunding Bonds,
		7.000% due 12/1/97
		A3
NR 516,875		
		CONNECTICUT -- 1.0%
625,000		New Haven, Connecticut,
		General Obligation, Series
		B,
		5.700% due 12/1/97
		Baa
BBB- 635,938		

</TABLE>

SEE NOTES TO FINANCIAL STATEMENTS.

4

Smith Barney
 Limited Maturity Municipals Fund

PORTFOLIO OF INVESTMENTS (UNAUDITED) (CONTINUED)
MAY 31, 1995

<TABLE>
<CAPTION>

MARKET VALUE			RATINGS	
FACE VALUE			MOODY'S	
S&P	(NOTE 1)			

<C>		<S>	<C>	
<C>	<C>			
MUNICIPAL BONDS AND NOTES -- (CONTINUED)				
		DISTRICT OF COLUMBIA --		
		3.5%		
\$ 685,000		District of Columbia,		
		Certificates of		
		Participation,		
		6.000% due 1/1/97	NR	B-
\$ 686,713		District of Columbia,		
250,000		General Obligation, Series		
		A,		
		5.000% due 6/1/98	Ba	B
243,125		District of Columbia,		
1,295,000		Metropolitan Area		
		Transportation, (FGIC		
		Insured),		
		6.000% due 7/1/98	Aaa	
AAA	1,351,656	FLORIDA -- 2.1%		
	850,000	Broward County, Florida,		
		Educational Facilities		
		Authority Revenue,		
		5.150% due 4/1/99	NR	
AAA	859,563	Florida Housing Finance		
500,000		Agency, Adjustable		
		Multifamily Mortgage,		
		Series QQ, (FSA Insured),		
		5.500% due 11/1/07	Aaa	
AAA	503,125	GEORGIA -- 2.1%		
1,250,000		Municipal Electric		
		Authority of Georgia,		
		Special Obligation		
		Refunding, Second Crossover		
		Series,		
		8.125% due 1/1/17	A	

A+	1,371,875	GUAM -- 2.9%	
	1,800,000	Government of Guam, General Obligation Bonds, 5.750% due 8/15/99	NR
BBB	1,849,500	IDAHO -- 0.3%	
	190,000	Idaho Housing Agency, Single Family Mortgage, Refunding Bonds, 5.500% due 1/1/97	Aa
NR	191,900	ILLINOIS -- 7.5%	
	250,000	Hoffman Estates, Illinois, Tax Increment Revenue, Junior Lien, (Hoffman Estates Development Project), 6.500% due 5/15/01	Baa1
BBB+	266,563		

</TABLE>

SEE NOTES TO FINANCIAL STATEMENTS.

5

Smith Barney
Limited Maturity Municipals Fund

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PORTFOLIO OF INVESTMENTS (UNAUDITED) (CONTINUED)
MAY 31, 1995

<TABLE>
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MARKET VALUE		RATINGS
FACE VALUE		MOODY'S
S&P	(NOTE 1)	

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<C>	<S>	<C>
<C>	<C>	

MUNICIPAL BONDS AND NOTES -- (CONTINUED)
ILLINOIS -- (CONTINUED)
\$1,000,000
Illinois Development
Financing Authority,
Adjustable Demand Revenue
Bonds, (Catholic Charities
Housing), Series A,

		5.000% due 1/1/28	Aa2	
NR	\$ 1,007,500			
	500,000	Illinois Educational Facilities Authority, Adjustable Demand Revenue Bonds, (Museum of Science and Industry),		
		5.625% due 10/1/26	Aa3	
NR	503,750			
	1,040,000	Illinois Health Facilities Authority, Revenue Bonds: (Children's Memorial Hospital), (MBIA Insured),		
		6.000% due 8/15/98	Aaa	
AAA	1,077,700			
	1,045,000	(Delnor Community Hospital), (FSA Insured),		
		4.500% due 5/15/98	Aaa	
AAA	1,025,406			
	1,000,000	St. Clair County, Illinois, General Obligation, (FGIC Insured),		
		4.600% due 10/1/98	Aaa	
AAA	990,000			
		INDIANA -- 2.6%		
		Indiana Bond Bank, Special Project:		
	415,000	Series F,		
		5.800% due 8/1/97	NR	A
423,819				
	500,000	Guaranteed Revolving,		
		4.900% due 2/1/99	NR	A
501,875				
	750,000	Warrick County, Indiana, Environmental Improvement, (Southern Indiana Gas & Electric Project), Series A,		
		4.650% due 5/1/28	Aa2	
AA	750,938			
		IOWA -- 3.9%		
	500,000	Iowa State, Certificates of Participation, Series A, (AMBAC Insured),		
		5.400% due 7/1/96	Aaa	
AAA	508,125			

</TABLE>

SEE NOTES TO FINANCIAL STATEMENTS.

Smith Barney
 Limited Maturity Municipals Fund

 --
 PORTFOLIO OF INVESTMENTS (UNAUDITED) (CONTINUED)
 MAY 31, 1995

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MARKET VALUE			RATINGS
FACE VALUE			MOODY'S
S&P	(NOTE 1)		
<C>	<S>		<C>
<C>	<C>		
MUNICIPAL BONDS AND NOTES -- (CONTINUED)			
IOWA -- (CONTINUED)			
\$ 410,000		Iowa State, Housing Finance Authority, Single Family Mortgage, Series F, (AMBAC Insured), 5.150% due 1/1/98	Aaa
AAA \$ 416,150		Iowa Student Loan Liquidity Corporation, Student Loan Revenue, Series A, 6.000% due 3/1/98	Aa1
350,000			
NR 361,375		Sioux City, Iowa, Hospital Revenue Refunding, (Sisters of Mercy Health), Series D, (MBIA Insured), 5.000% due 8/15/98	Aaa
1,190,000			
AAA 1,207,850		KENTUCKY -- 1.5%	
990,000		University of Louisville, Kentucky, Series J, 4.875% due 5/1/98	A1
AA-	988,763		
305,000		LOUISIANA -- 2.1%	
		Louisiana Public Facilities Revenue, Student Loan, Louisiana Opportunity Loan, Series A, (FSA Insured), 5.700% due 1/1/97	Aaa
AAA 311,863			
500,000		Louisiana State, General Obligation Refunding Bond,	

		Series A, (CGIC Insured), 6.600% due 8/1/97	Aaa
AAA	521,250		
	500,000	New Orleans, Louisiana, Exhibit Hall Authority, Hotel Occupancy Tax Revenue, (AMBAC Insured), 5.250% due 1/15/97	Aaa
AAA	509,375		
	250,000	MAINE -- 0.4% Maine Health & Higher Educational Facilities, Special Obligation Revenue, Medium Term Facilities, (FSA Insured), 5.500% due 7/1/97	Aaa
AAA	254,375		

</TABLE>

SEE NOTES TO FINANCIAL STATEMENTS.

7

Smith Barney
Limited Maturity Municipals Fund

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PORTFOLIO OF INVESTMENTS (UNAUDITED) (CONTINUED)
MAY 31, 1995

<TABLE>
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MARKET VALUE		RATINGS
FACE VALUE		MOODY'S
S&P	(NOTE 1)	

<C>		<S>	<C>
<C>	<C>		
	MUNICIPAL BONDS AND NOTES -- (CONTINUED)		
	MARYLAND -- 0.5%		
\$ 320,000	Montgomery County, Maryland, Housing Authority, Multifamily Revenue, Series 85A, (Hunt Club), 6.000% due 2/1/07++++		Aa
AA+	\$ 322,000	MASSACHUSETTS -- 8.6%	

	750,000	Lowell, Massachusetts, General Obligation, 5.500% due 8/15/97		Baa1
NR	765,938	Massachusetts Municipal Electric Wholesale Company, Power Supply System Revenue: Series C:		
	285,000	5.800% due 7/1/96		A
BBB+	289,988			
	205,000	6.000% due 7/1/97		A
BBB+	211,663			
	100,000	Series E: 5.100% due 7/1/97		A
BBB+	101,375			
	445,000	Massachusetts State Health and Educational Facilities Authority, Medical Center of Central Massachusetts, Series A, 6.000% due 7/1/97		A A
458,350				
	500,000	Massachusetts Water Resources Authority, Series A, 5.600% due 7/15/96		A A
506,875				
		New England Educational Loan Marketing Corporation, Student Loan: Series B, 5.000% due 6/1/98		A1 A-
1,000,000				
1,000,000		Series C, 4.750% due 7/1/98		A1 A-
1,000,000				
992,500		Plymouth County, Massachusetts, Certificates of Participation, Series A, 5.700% due 10/1/96		NR
500,000				
BBB-	507,500			
	720,000	Springfield, Massachusetts, School Project, Series B, 5.300% due 9/1/97		Baa1
NR	732,600			

</TABLE>

SEE NOTES TO FINANCIAL STATEMENTS.

Smith Barney
 Limited Maturity Municipals Fund

 --
 PORTFOLIO OF INVESTMENTS (UNAUDITED) (CONTINUED)
 MAY 31, 1995

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MARKET VALUE			RATINGS
FACE VALUE			MOODY'S
S&P	(NOTE 1)		
<C>	<S>		<C>
<C>	<C>		
MUNICIPAL BONDS AND NOTES -- (CONTINUED)			
		MICHIGAN -- 1.6%	
\$ 750,000		Detroit, Michigan, District State Aid, 5.625% due 5/1/97	Baa
BBB+	\$ 756,563		
	250,000	Michigan Higher Education Student Loan, Education Revenue, Series XIV-A, 5.400% due 10/1/96	A
NR	253,125		
	1,000,000	NEVADA -- 3.4% Clark County, Nevada, Airport Systems Revenue, (MBIA Insured), 7.500% due 7/1/97	Aaa
AAA	1,058,750		
	1,000,000	Clark County, Nevada, General Obligation, (FGIC Insured), 7.500% due 7/1/04	Aaa
AAA	1,105,000		
	275,000	NEW HAMPSHIRE -- 0.4% New Hampshire Higher Education & Health Authority Revenue, (Elliot Hospital of Manchester), (AMBAC Insured), 5.700% due 10/1/97	Aaa
AAA	283,938		
	500,000	NEW JERSEY -- 3.9% Atlantic County, New Jersey, Utilities	

		Authority, Solid Waste Revenue,		
		6.250% due 3/1/97	Baa	
NR	506,250			
	435,000	Camden County, New Jersey, Pollution Control Finance Authority, Solid Waste Resource Recovery Revenue, Series D,		
		6.350% due 12/1/97	Baa1	
BBB+	440,981			
	1,075,000	Hudson County, New Jersey, Improvement Authority,		
		5.750% due 1/1/98	NR	
BBB-	1,065,594			
	500,000	New Jersey Health Care Facilities Center, (Atlantic City Medical Center), Series C,		
		5.600% due 7/1/96	A	A-
	506,875			
		NEW MEXICO -- 0.6%		
	390,000	New Mexico Mortgage Finance Authority, Single Family, Series A1,		
		5.500% due 1/1/97	Aa	
AA	393,900			

</TABLE>

SEE NOTES TO FINANCIAL STATEMENTS.

9

Smith Barney
Limited Maturity Municipals Fund

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PORTFOLIO OF INVESTMENTS (UNAUDITED) (CONTINUED)
MAY 31, 1995

<TABLE>
<CAPTION>

MARKET VALUE		RATINGS
FACE VALUE		MOODY'S
S&P	(NOTE 1)	

<C>	<S>	<C>
<C>	<C>	

MUNICIPAL BONDS AND NOTES -- (CONTINUED)				
		NEW YORK -- 7.7%		
\$1,450,000		Babylon, New York, Industrial Development Authority, Babylon Community Waste Management, Series A, 7.650% due 7/1/97	Baa1	
NR	\$ 1,546,062 600,000	Metropolitan Transit Authority, New York, Service Contract Transit Fees, Series 5, 6.100% due 7/1/98	Baa1	
BBB	618,000	Metropolitan Transit Authority, New York, General Obligation: 6.600% due 1/1/99	Aaa	
AAA	500,000 533,750 750,000	Series C, 5.400% due 8/1/97	Baa1	A-
	757,500 640,000	New York State Medical Care Facilities Agency, Mental Health Service Facilities Improvement, Series D, 6.300% due 8/15/97	Baa1	
BBB+	658,400	North Country, New York, Solid Waste Disposal, Series A: 5.400% due 7/1/95	Baa	
NR	455,000 455,000	6.000% due 7/1/97	Baa1	
NR	400,000 407,500	OKLAHOMA -- 0.8% Cleveland County, Oklahoma, Home Loan Authority, Single Family Mortgage Revenue: 6.000% due 8/1/96	A	
NR	165,000 166,443	6.100% due 2/1/97	A	
NR	145,000 146,812	6.100% due 8/1/97	A	
NR	180,000 182,925	OREGON -- 0.8% Clackamas County, Oregon, Hospital Facilities Authority Revenue, (Sisters of Providence), Series A,		
	500,000			

AA- 508,125

</TABLE>

SEE NOTES TO FINANCIAL STATEMENTS.

10

Smith Barney
Limited Maturity Municipals Fund

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PORTFOLIO OF INVESTMENTS (UNAUDITED) (CONTINUED)
MAY 31, 1995

<TABLE>

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MARKET VALUE			RATINGS
FACE VALUE			MOODY'S
S&P	(NOTE 1)		

<C>		<S>	<C>
<C>	<C>		
MUNICIPAL BONDS AND NOTES -- (CONTINUED)			
		PENNSYLVANIA -- 7.6%	
\$ 125,000		Falls Township, Pennsylvania Hospital Authority Revenue, (Delaware Valley Medical), (FHA Insured), 6.000% due 8/1/01	NR
AAA \$ 104,375		Lehigh County, Pennsylvania, Industrial and Community Development Authority, (Strawbridge Project), 7.200% due 12/15/01	NR
500,000			
BBB 533,125		Pennsylvania State Higher Education, (Thomas Jefferson University), Series A, 5.500% due 8/15/97	Aa
500,000			
A+ 513,750		Pennsylvania State Industrial Development Authority Revenue, (AMBAC Insured),	
1,170,000			

		6.000% due 1/1/99	Aaa	
AAA	1,222,650	Philadelphia, Pennsylvania, Hospitals and Higher Education Facilities Authority: (Albert Einstein Medical Center):		
	365,000	6.300% due 10/1/96	A	
BBB+	371,386			
	390,000	6.500% due 10/1/97	A	
BBB+	399,750			
	1,000,000	(Graduate Health Systems), 6.500% due 7/1/97	Baa1	
BBB+	1,026,250			
	750,000	Westmoreland County, Pennsylvania, Industrial Development Authority, (Valley Landfill Project), 4.375% due 5/1/18++++	Aa1	
AA	748,125			
	420,000	PUERTO RICO -- 0.7% Puerto Rico Medical Hospital, Series A, (St. Luke's Hospital), 5.400% due 6/1/97	NR	A-
	423,675			
	500,000	RHODE ISLAND -- 0.8% Rhode Island State, Student Loan Authority, Series A, 5.700% due 12/1/96	A	
NR	508,750			

SEE NOTES TO FINANCIAL STATEMENTS.

11

Smith Barney
Limited Maturity Municipals Fund

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PORTFOLIO OF INVESTMENTS (UNAUDITED) (CONTINUED)
MAY 31, 1995

<TABLE>
<CAPTION>

RATINGS

MARKET VALUE
FACE VALUE

MOODY'S

<C>	<S>	<C>
MUNICIPAL BONDS AND NOTES -- (CONTINUED)		
\$ 500,000	SOUTH CAROLINA -- 0.8% South Carolina, State, Public Service Authority, (Santee - Cooper Project), Series D, 5.500% due 7/1/98	A1
A+ \$ 515,000	TEXAS -- 11.4% Arlington, Texas, Waterworks & Sewer Revenue, Refunding and Improvement, (FGIC Insured), 5.400% due 6/1/97	Aaa
AAA 509,375 2,000,000	Bell County, Texas, Health Facilities Development Corporation, Central Texas Pooled Health, Series A, 4.750% due 10/1/23	NR
AA 1,975,000 1,000,000	Brazos, Texas, Higher Education Authority, Series A-1, 5.300% due 12/1/97	Aa
NR 1,016,250 300,000	Dallas-Fort Worth, Texas, Regional Airport Revenue, Series A, (FGIC Insured), 5.875% due 11/1/07	Aaa
AAA 309,375 1,000,000	North Texas, Higher Education Authority, Student Loan Revenue, Series B, 4.850% due 4/1/98	Aaa
NR 1,002,500 1,000,000	Port Houston Authority, Harris, Texas, (MBIA Insured), 5.700% due 5/1/99	Aaa
AAA 1,037,500 1,000,000	Tarrant County, Texas, Housing Finance Corporation, Multifamily Housing, (Bedford Springs),	

		4.500% due 9/1/06	NR
AA-	1,000,000		
	500,000	Texas State Veterans Housing Assistance, (FHA Insured),	
		6.050% due 12/1/12	Aa
AA	509,375		
	635,000	VIRGIN ISLANDS -- 1.0% Virgin Islands Public Financing Authority, Matching Revenue Funding, Series A,	
		6.250% due 10/1/96	NR
NR	647,700		

SEE NOTES TO FINANCIAL STATEMENTS.

12

Smith Barney
Limited Maturity Municipals Fund

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PORTFOLIO OF INVESTMENTS (UNAUDITED) (CONTINUED)
MAY 31, 1995

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MARKET VALUE		RATINGS
FACE VALUE		MOODY'S
S&P (NOTE 1)		

<C>	<S>	<C>
<C> <C>		
MUNICIPAL BONDS AND NOTES -- (CONTINUED)		
	VIRGINIA -- 1.6%	
\$ 500,000	Fairfax County, Virginia, Redevelopment & Housing Authority, Multifamily Housing Revenue Refunding, Mortgage Loan, Kingsley, Series A, (FHA Insured),	
	6.500% due 11/1/01	NR
AAA \$ 523,750		
500,000	Virginia Educational Loan Authority, Guaranteed Revenue, Series C,	
	4.850% due 3/1/98	Aaa

NR	500,625	WASHINGTON -- 3.1%		
	445,000	Washington State Housing Finance, Single Family Mortgage Revenue, (GNMA and FNMA Securities Program), Series D, 5.800% due 7/1/97	NR	
AAA	446,668			
	1,500,000	Washington State Public Power Supply, Series B, (Nuclear Project No. 3), 7.000% due 7/1/97	Aa	
AA	1,567,500			
	250,000	WISCONSIN -- 5.7% Wisconsin Housing Economic Development Authority: Series A, 5.400% due 11/1/97	A1	A
	253,436			
	1,045,000	4.500% due 11/1/98	A1	A
	1,029,325			
	2,360,000	Wisconsin, State, Health & Educational Facilities Authority, (Aurora Health Care), (MBIA Insured), 5.500% due 8/15/98	Aaa	
AAA	2,424,900			
	1,500,000	WYOMING -- 2.3% Platte County, Wyoming, Pollution Control Revenue, 4.200% due 1/1/99	A2	A
	1,468,125			

 - - - - -
 TOTAL MUNICIPAL BONDS AND NOTES
 (COST \$63,231,620)

63,489,269

 - - - - -

</TABLE>

SEE NOTES TO FINANCIAL STATEMENTS.

<TABLE>
<CAPTION>

		RATINGS
MARKET VALUE		
FACE VALUE		MOODY'S
S&P	(NOTE 1)	

<C>	<S>	<C>
<C>	<C>	
	PRIVATELY PLACED TAX-EXEMPT MUNICIPAL LEASE AGREEMENT -- 0.5% (COST \$310,941) TENNESSEE -- 0.5%	
\$ 308,628	The Health and Educational Facilities Board of the Metropolitan Government of Nashville and Davidson County, Tennessee, on behalf of Cooke County, Baptist Hospital, 7.250% due 9/1/96+++	NR
NR	\$ 311,713	

TOTAL INVESTMENTS (COST \$63,542,561*)		
98.8%	63,800,982	
OTHER ASSETS AND LIABILITIES (NET)		
1.2	782,718	

NET ASSETS		
100.0%	\$64,583,700	

<FN>
* Aggregate cost for Federal tax purposes.
+++ Backed by an irrevocable bank letter of credit in the amount of \$308,628.
++++ Put bonds and notes have demand features with maturities greater than one year.

</TABLE>

SEE NOTES TO FINANCIAL STATEMENTS.

Smith Barney
Limited Maturity Municipals Fund

STATEMENT OF ASSETS AND LIABILITIES (UNAUDITED)
MAY 31, 1995

<TABLE>

<S> <C> <C>

ASSETS:

Investments, at value (Cost
\$63,542,561) (Note 1)
See accompanying schedule
\$63,800,982
Interest receivable
1,148,341
Receivable for Fund shares sold
106,894
Unamortized organization costs (Note 7)
19,067

TOTAL ASSETS
65,075,284

LIABILITIES:

Due to custodian \$188,598
Dividends payable 161,409
Investment advisory fee payable (Note
2) 38,899
Payable for Fund shares redeemed 35,937
Administration fee payable (Note 2) 22,228
Service fee payable (Note 3) 8,276
Custodian fees payable (Note 2) 4,700
Transfer agent fees payable (Note 2) 2,515
Distribution fee payable (Note 3) 146
Accrued expenses and other payables 28,876

TOTAL LIABILITIES
491,584

NET ASSETS
\$64,583,700

NET ASSETS consist of:

Undistributed net investment income \$

8,275
Accumulated net realized loss on
investments sold
(865,643)
Unrealized appreciation of investments
258,421
Par value
7,945
Paid-in capital in excess of par value
65,174,702

TOTAL NET ASSETS
\$64,583,700

NET ASSET VALUE:

CLASS A SHARES:

NET ASSET VALUE per share+
(\$63,571,508 DIVIDED BY 7,820,975 shares of
beneficial interest outstanding)

\$8.13

MAXIMUM OFFERING PRICE PER SHARE (\$8.13
DIVIDED BY 0.98)
(based on sales charge of 2.00% of the offering
price at May 31, 1995)

\$8.30

CLASS C SHARES:

NET ASSET VALUE and offering price per share+
(\$1,012,192 DIVIDED BY 124,514 shares of
beneficial interest outstanding)

\$8.13

<FN>

+ Redemption price per share is equal to net asset value
less any applicable
contingent deferred sales charge.

</TABLE>

SEE NOTES TO FINANCIAL STATEMENTS.

15

Smith Barney
Limited Maturity Municipals Fund

STATEMENT OF OPERATIONS (UNAUDITED)

FOR THE SIX

MONTHS ENDED MAY 31, 1995

<TABLE>

<S> <C>

INVESTMENT INCOME:

Interest
\$1,802,991

EXPENSES:

Investment advisory fee (Note 2)
\$121,709
Administration fee (Note 2)
69,548
Service fee (Note 3)
52,161
Transfer agent fees (Notes 2 and 4)
14,513
Legal and audit fees
13,769
Custodian fees (Note 2)
12,341
Amortization of organization costs (Note 7)
6,021
Trustees' fees and expenses (Note 2)
4,065
Distribution fee (Note 3)
528
Other
40,132
Fees waived by investment adviser and
administrator (Note 2)
(56,203)

TOTAL EXPENSES
278,584

NET INVESTMENT INCOME
1,524,407

REALIZED AND UNREALIZED GAIN/(LOSS) ON INVESTMENTS (NOTES 1
AND 5):

Net realized loss on investments during the
period
(203,850)
Net unrealized appreciation of investments
during the period
1,861,899

NET REALIZED AND UNREALIZED GAIN ON INVESTMENTS
1,658,049

NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS
\$3,182,456

</TABLE>

SEE NOTES TO FINANCIAL STATEMENTS.

16

Smith Barney
Limited Maturity Municipals Fund

STATEMENT OF CHANGES IN NET ASSETS

<TABLE>

<CAPTION>

SIX MONTHS

ENDED YEAR

5/31/95 ENDED

(UNAUDITED) 11/30/94

<S>

<C>

<C>

Net investment income		\$
1,524,407	\$ 3,882,663	
Net realized loss on investments sold during the period		
(203,850)	(616,478)	
Net unrealized appreciation/(depreciation) of		
investments during the period		
1,861,899	(3,140,215)	

Net increase in net assets resulting from operations	
3,182,456	125,970
Distributions to shareholders from net investment income:	
Class A	
(1,514,009)	(3,882,660)
Class C	
(10,398)	(3)
Distribution to shareholders from net realized gain on investments:	
Class A	
- --	(8,764)
Net increase/(decrease) in net assets from Fund share transactions (Note 6):	
Class A	
(14,311,352)	(16,418,251)
Class C	
894,053	106,015
Net decrease in net assets	
(11,759,250)	(20,077,693)
NET ASSETS:	
Beginning of period	
76,342,950	96,420,643
End of period	
64,583,700	\$ 76,342,950

</TABLE>

SEE NOTES TO FINANCIAL STATEMENTS.

17

Smith Barney
Limited Maturity Municipals Fund

FINANCIAL HIGHLIGHTS

FOR A CLASS A SHARE OUTSTANDING THROUGHOUT EACH PERIOD.

<TABLE>
<CAPTION>

SIX MONTHS

YEAR	YEAR	PERIOD	ENDED
			5/31/95
ENDED	ENDED	ENDED	(UNAUDITED)
11/30/94*	11/30/93	11/30/92*	
<S>			<C>
<C>	<C>	<C>	
Net asset value, beginning of period			\$ 7.94
\$ 8.26	\$ 8.07	\$ 7.90	

Income from investment operations:			
Net investment income+			0.18
0.34	0.36	0.36	
Net realized and unrealized gain/(loss) on investments			0.19
(0.32)	0.19	0.17	

Total from investment operations			0.37
0.02	0.55	0.53	
Less distributions:			
Dividends from net investment income			(0.18)
(0.34)	(0.36)	(0.36)	
Distributions from net realized capital gains			--
(0.00)**	(0.00)**	--	

Total distributions			(0.18)
(0.34)	(0.36)	(0.36)	

Net Asset Value, end of period			\$ 8.13
\$ 7.94	\$ 8.26	\$ 8.07	

Total return++			4.66%
0.23%	6.98%	6.88%	

Ratios/supplemental data:			
Net assets, end of period (in 000's)			\$63,572
\$76,237	\$96,421	\$36,379	
Ratio of operating expenses to average net assets+++			0.80%***
0.80%	0.75%	0.65%***	
Ratio of net investment income to average net assets			4.39%***

4.15%	4.24%	4.74%***	
Portfolio turnover rate			0%
28%	4%	22%	

<FN>

* The Fund commenced operations on December 31, 1991. Those shares in existence prior to November 7, 1994 were designated Class A shares.

** Amount represents less than \$0.01 per share.

*** Annualized.

+ Net investment income per share before waiver of fees by investment adviser and administrator for the six months ended May 31, 1995 and years ended November 30, 1994 and 1993 and waiver of fees by investment adviser, sub-investment adviser and administrator, and/or custodian and distributor for the period ended November 30, 1992 were \$0.17, \$0.33, \$0.33 and \$0.31, respectively.

++ Total return represents aggregate total return for the period indicated and does not reflect any applicable sales charges.

+++ Annualized operating expense ratios before waiver of fees by investment adviser and administrator for the six months ended May 31, 1995 and years ended November 30, 1994 and 1993 and waiver of fees by investment adviser, sub-investment adviser and administrator, and/or custodian and distributor for the period ended November 30, 1992 were 0.96%, 0.94%, 1.07% and 1.28%, respectively.

</TABLE>

SEE NOTES TO FINANCIAL STATEMENTS.

18

Smith Barney
Limited Maturity Municipals Fund

FINANCIAL HIGHLIGHTS

FOR A CLASS C SHARE OUTSTANDING THROUGHOUT EACH PERIOD.

<TABLE>
<CAPTION>

	SIX MONTHS ENDED	
PERIOD	5/31/95	
ENDED	(UNAUDITED)	
11/30/94*		
<S>	<C>	
<C>		
Net asset value, beginning of period	\$ 7.94	
\$7.92		

Income from investment operations:		
Net investment income+	0.16	
0.00**		
Net realized and unrealized gain on		
investments	0.19	
0.02#		

Total from investment operations	0.35	
0.02		
Less distributions:		
Distributions from net investment income	(0.16)	
0.00**		

Total distributions	(0.16)	
0.00		

Net asset value, end of period	\$ 8.13	
\$7.94		

Total return++	4.55%	
0.31%		

Ratios/supplemental data:		
Net assets, end of period (in 000's)	\$1,012	\$
106		
Ratio of operating expenses to average net		
assets+++	0.98%***	
1.00%***		

Ratio of net investment income to average net assets	4.21%***
3.94%***	
Portfolio turnover rate	0%
28%	

<FN>

* The Fund commenced selling Class C shares on November 17, 1994.

** Amount represents less than \$0.01 per share.

*** Annualized.

+ Net investment income per share before waiver of fees by investment adviser and administrator for the six months ended May 31, 1995 and period ended November 30, 1994 were \$0.16 and less than \$0.01, respectively.

++ Total return represents aggregate total return for the period indicated and does not reflect any applicable sales charges.

+++ Annualized operating expense ratio before waiver of fees by investment adviser and administrator for the six months ended May 31, 1995 and period ended November 30, 1994 were 1.14% and 1.14%, respectively.

The amount in this caption for each share outstanding throughout the period may not accord with the change in aggregate gains and losses in portfolio securities for the period because of the timing of purchases and withdrawals of shares in relation to the fluctuating market values of the portfolio.

</TABLE>

SEE NOTES TO FINANCIAL STATEMENTS.

NOTES TO FINANCIAL STATEMENTS (UNAUDITED)

1. SIGNIFICANT ACCOUNTING POLICIES

Smith Barney Income Trust (the "Trust") was organized as a "Massachusetts business trust" under the laws of the Commonwealth of Massachusetts on October 17, 1991. The Trust is registered with the Securities and Exchange Commission under the Investment Company Act of 1940, as amended (the "1940 Act"), as an open-end management investment company. The Trust consists of the following four funds: Smith Barney Limited Maturity Treasury Fund, Smith Barney Limited Maturity Municipals Fund (the "Fund"), Smith Barney Intermediate Maturity California Municipals Fund and Smith Barney Intermediate Maturity New York Municipals Fund. Effective November 7, 1994, the Fund began offering Class C and Class Y shares and all existing shares were designated Class A shares. As of May 31, 1995, no Class Y shares have been sold. Class A shares are sold with a front-end sales charge. Class C shares may be subject to a contingent deferred sales charge ("CDSC") upon redemption. Class Y shares are available to investors making an initial investment of at least \$5 million and are not subject to any sales charges, distribution or service fees. All classes of shares have identical rights and privileges except with respect to the effect of the respective sales charges, the distribution and/or service fees borne by each class, expenses allocable exclusively to each class, voting rights on matters affecting a single class and the exchange privilege of each. The following is a summary of significant accounting policies consistently followed by the Fund in the preparation of its financial statements.

PORTFOLIO VALUATION: Securities are valued at the closing of trading on the New York Stock Exchange, Inc. by The Boston Company Advisors, Inc. ("Boston Advisors"), an indirect wholly owned subsidiary of Mellon Bank Corporation ("Mellon"), after consultation with an independent pricing service (the "Service") approved by the Board of Trustees. When, in the

judgment of the Service, quoted bid prices for securities are readily available and are representative of the bid side of the market, these investments are valued at the mean between the quoted bid prices and asked prices. Securities for which, in the judgment of the Service, there are no readily obtainable market quotations (which may 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;

20

Smith Barney
Limited Maturity Municipals Fund

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NOTES TO FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)

and general market conditions. Securities, not valued by the Service, for which market quotations are not readily available are valued at fair value as determined in good faith by or under the direction of the Board of Trustees. Short-term investments that mature in 60 days or less are valued at amortized cost.

SECURITIES TRANSACTIONS AND INVESTMENT INCOME: Securities transactions are recorded as of the trade date. Securities purchased or sold on a when-issued or delayed delivery basis may be settled a month or more after the trade date. Interest income is recorded on the accrual basis. Realized gains and losses from securities sold are recorded on the identified cost basis. Investment income and realized and unrealized gains and losses are allocated based upon the relative net assets of each class.

DIVIDENDS AND DISTRIBUTIONS TO SHAREHOLDERS: Dividends from net investment income are determined on a class level. It is the policy of the Fund to declare dividends from net investment income daily and to pay such dividends on the last business day of the Smith Barney Inc. ("Smith Barney") statement month. Distributions of any net realized capital gains are declared and paid annually, after the end of the fiscal year. Additional distributions of net investment income and capital gains for the Fund may be made at the discretion of the Board of Trustees in order to avoid the application of a 4.00% nondeductible excise tax on certain undistributed amounts of net investment income and capital gains. To the extent net realized capital gains can be offset by capital losses and loss carryforwards, it is the policy of the Fund not to distribute such gains.

Income distributions and capital gain distributions on a Fund level are determined in accordance with income tax regulations which may differ from generally accepted accounting principles. These differences are primarily due to differing treatments of income and gains on various investment securities held by the Fund, timing differences and differing characterization of distributions made by the Fund as a whole.

FEDERAL INCOME TAXES: The Trust intends that the Fund separately qualify as a regulated investment company, if such qualification is in the best interest of its shareholders, which distributes exempt-interest dividends, by complying

21

Smith Barney
Limited Maturity Municipals Fund

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NOTES TO FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)

with the requirements of the Internal Revenue Code of 1986, as amended, applicable to regulated investment companies and by distributing substantially all of its earnings to its shareholders. Therefore, no Federal income tax provision is required.

2. INVESTMENT ADVISORY AGREEMENT, ADMINISTRATION AGREEMENT AND OTHER TRANSACTIONS

The Fund has entered into an investment advisory agreement (the "Advisory Agreement") with Smith Barney Mutual Funds Management Inc. ("SBMFM"). SBMFM (formerly known as Smith Barney Advisers, Inc.), is a wholly owned subsidiary of Smith Barney Holdings Inc. ("Holdings"), which in turn is a wholly owned subsidiary of Travelers Group Inc. Under the Advisory Agreement, the Fund pays a monthly fee at the annual rate of 0.35% of the value of its average daily net assets.

The Fund has entered into an administration agreement (the "Administration Agreement") with SBMFM. Under the Administration Agreement, the Fund pays a monthly fee at the annual rate of 0.20% of the value of its average daily net assets.

The Fund and SBMFM have also entered into a sub-administration agreement (the "Sub-Administration Agreement") with Boston Advisors. Under the Sub-Administration Agreement, SBMFM pays Boston Advisors a portion of its administration fee at a rate agreed upon from time to time between SBMFM and Boston Advisors.

From time to time SBMFM may voluntarily waive a portion of its advisory and/or administrative fees otherwise payable to it. For the six months ended May 31, 1995, SBMFM voluntarily waived advisory fees of \$35,766 and administration fees of \$20,437, respectively.

For the six months ended May 31, 1995, Smith Barney Inc. ("Smith Barney") received \$23,258 from investors representing commissions (sales charges) on sales of Class A shares.

22

Smith Barney
Limited Maturity Municipals Fund

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NOTES TO FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)

A CDSC is generally payable by Class C shareholders and may be payable by certain Class A shareholders in connection with the redemption of shares within one year after the date of purchase. For the six months ended May 31, 1995, \$5,962 in CDSC were paid to Smith Barney by Class A shareholders.

No officer, trustee or employee of Smith Barney or any of its affiliates receives any compensation from the Trust for serving as a Trustee or officer of the Trust. The Trust pays each Trustee who is not an officer, director or employee of Smith Barney or any of its affiliates \$4,000 per annum plus \$500 per meeting attended and each Trustee emeritus who is not an officer, director or employee of Smith Barney or any of its affiliates \$2,000 per annum plus \$250 per meeting attended. The Trust reimburses each Trustee for travel and out-of-pocket expenses incurred in attending such meetings.

Boston Safe Deposit and Trust Company, an indirect wholly owned subsidiary of Mellon, serves as the Trust's custodian. The Shareholder Services Group Inc., a subsidiary of First Data Corporation, serves as the Trust's transfer agent.

3. DISTRIBUTION PLAN

Smith Barney acts as distributor of the Fund's shares

pursuant to a distribution agreement with the Trust and sells shares of the Fund through Smith Barney or its affiliates.

Pursuant to Rule 12b-1 under the 1940 Act, the Trust has adopted a service and distribution plan (the "Plan"). Under this Plan, the Fund compensates Smith Barney for servicing shareholder accounts for Class A and Class C shareholders, and covers expenses incurred in distributing Class C shares. Smith Barney is paid an annual service fee with respect to Class A and Class C shares of the Fund at the annual rate of 0.15% of the value of the average daily net assets of each respective class of shares. Smith Barney is also paid an annual distribution fee with respect to Class C shares at the annual rate of 0.20% of the value of the average daily net assets attributable to those shares. For the six months ended May 31, 1995, the Fund incurred

23

Smith Barney
Limited Maturity Municipals Fund

- -
NOTES TO FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)

\$51,765 and \$396 in service fees for Class A and Class C shares, respectively. For the six months ended May 31, 1995, the Fund incurred \$528 in distribution fees for Class C shares.

Under its terms, the Plan shall remain in effect from year to year, provided that such continuance is approved annually by vote of the Trust's Trustees, including a majority of those Trustees who are not "interested persons" of the Trust and who have no direct or indirect financial interest in the operation of the Plan.

4. EXPENSE ALLOCATION

Expenses of the Fund not directly attributable to the operations of any class of shares are prorated among the classes based upon the relative net assets of each class. Operating expenses directly attributable to a class of shares are charged to that class' operations. In addition to the above servicing and distribution fees, class specific operating expenses for the six months ended May 31, 1995 included transfer agent fees of \$14,462 and \$51 for Class A and Class C shares, respectively.

5. SECURITIES TRANSACTIONS

Proceeds from sales of securities, excluding short-term investments, for the six months ended May 31, 1995 was \$12,868,435. There were no purchases, excluding short-term investments for the six months ended May 31, 1995.

At May 31, 1995, aggregate gross unrealized appreciation for all securities in which there was an excess of value over tax cost was \$584,388, and aggregate gross unrealized depreciation for all securities in which there was an excess of tax cost over value was \$325,967.

24

Smith Barney
Limited Maturity Municipals Fund

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NOTES TO FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)

6. SHARES OF BENEFICIAL INTEREST

The Trust may issue an unlimited number of shares of beneficial interest which are divided into three class (Class A, Class C and Class Y) with a \$.001 par value. Changes in shares of beneficial interest in the Fund were as follows:

<TABLE>

<CAPTION>

SIX MONTHS

ENDED		YEAR ENDED			
5/31/95*		11/30/94			
<S>		<C>		<C>	
<C>		<C>		<C>	
CLASS A SHARES:			Shares		
Amount	Shares	Amount			

Sold				546,201	\$
4,374,347	3,175,899	\$ 26,079,012			
Issued as reinvestment of dividends				128,078	
1,027,683	353,609	2,875,739			
Redeemed				(2,458,321)	
(19,713,382)	(5,604,134)	(45,373,002)			

Net decrease				(1,784,042)	
\$ (14,311,352)	(2,074,626)	\$ (16,418,251)			

<CAPTION>

SIX MONTHS

ENDED		PERIOD ENDED			
5/31/95*		11/30/94*			
<S>		<C>		<C>	
<C>		<C>		<C>	
CLASS C SHARES:			Shares		
Amount	Shares	Amount			

Sold				111,231	\$
894,633	13,354	\$ 106,015			
Issued as reinvestment of dividends				654	
5,280	--	--			
Redeemed				(725)	
(5,860)	--	--			

Net increase				111,160	\$

894,053 13,354 \$ 106,015

<FN>

* The Fund began offering Class C and Class Y shares on November 7, 1994. Those shares in existence prior to November 7, 1994 were designated Class A shares.

</TABLE>

As of May 31, 1995, no Class Y shares had been sold.

7. ORGANIZATION COSTS

The Fund bears all costs in connection with its organization including the fees and expenses of registering and qualifying its shares for distribution under Federal and state securities regulations. All such costs are being amortized on the straight-line method over a period of five years from the commencement of operations of the Fund. In the event that any of the initial shares of the Fund are redeemed during such amortization period, the Fund

25

Smith Barney
Limited Maturity Municipals Fund

--

NOTES TO FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)

will be reimbursed for any unamortized organization costs in the same proportion as the number of shares redeemed bears to the number of initial shares held at the time of redemption.

8. CAPITAL LOSS CARRYFORWARD

As of November 30, 1994, the Fund had available for Federal tax purposes an unused capital loss carryforward of \$483,118 expiring in the year 2002.

ADDITIONAL INFORMATION

On March 20, 1995, a special meeting of shareholders of the Trust was held for the following purposes:

1. To elect the following ten (10) trustees to the Trust's Board of Trustees:

<TABLE>

<CAPTION>

% OF

OUTSTANDING

SHARES

NOMINEE

VOTES RECEIVED

VOTED

<S>

<C>

<C>

Herbert Barg

15,237,202.665

96.182%

Alfred J. Bianchetti*

15,239,787.601

96.198

Martin Brody

15,239,506.357

96.196

Dwight B. Crane

15,262,039.293

96.338

Burt N. Dorsett

15,249,442.272

96.259

Elliot S. Jaffe

15,253,001.145

96.281

Stephen E. Kaufman

15,256,593.968

96.304

Joseph J. McCann

15,258,212.162

96.314

Heath B. McLendon*

15,246,700.983

96.241

Cornelius C. Rose, Jr.

15,249,666.535

96.260

<FN>

* Each Trustee who is an "interested person" of the Trust, as defined by the Investment Company Act of 1940, as amended, is indicated by an asterisk.

</TABLE>

26

Smith Barney
Limited Maturity Municipals Fund

PARTICIPANTS

DISTRIBUTOR

Smith Barney, Inc.
388 Greenwich Street
New York, New York 10013

INVESTMENT ADVISER AND
ADMINISTRATOR

Smith Barney Mutual Funds
Management Inc.
388 Greenwich Street
New York, New York 10013

SUB-ADMINISTRATOR

The Boston Company Advisors, Inc.
One Boston Place
Boston, Massachusetts 02108

COUNSEL

Willkie Farr & Gallagher
153 East 53rd Street
New York, New York 10022

TRANSFER AGENT

The Shareholder Services
Group, Inc.
Exchange Place
Boston, Massachusetts 02109

CUSTODIAN

Boston Safe Deposit and
Trust Company
One Boston Place
Boston, Massachusetts 02108

Smith Barney
Limited Maturity Municipals Fund

GLOSSARY OF COMMONLY USED MUTUAL FUND TERMS

CAPITAL GAIN (OR LOSS) This is the increase (or decrease) in the market value (price) of a security in your portfolio. If a stock or bond appreciates in price, there is a capital gain; if it depreciates, there is a capital loss. A capital gain or loss is "realized" upon the sale of a security; if net capital gains exceed net capital losses, there may be a capital gain distribution to shareholders.

CDSC (CONTINGENT DEFERRED SALES CHARGE) One kind of back-end load, a CDSC is imposed if shares are redeemed during the first few years of ownership. The CDSC may be expressed as a percentage of either the original purchase price or the redemption proceeds. Most CDSCs decline over time, and some will not be charged if shares are redeemed after a certain period of time.

DISTRIBUTION RATE This is the rate at which a mutual fund pays out (or distributes) interest, dividends and realized capital gains to shareholders. A fund's distribution rate is usually expressed as an annualized percent of the fund's offering price.

DIVIDEND This is income generated by securities in a portfolio and distributed after expenses to shareholders.

FRONT-END SALES CHARGE This is the sales charge applied to an investment at the time of initial purchase.

NET ASSET VALUE (NAV) Net asset value is the total market value of all

securities held by a fund, minus any liabilities, divided by the number of shares outstanding. It is the value of a single share of a mutual fund on a given day. The total value of your investment would be the NAV multiplied by the number of shares you own.

SEC YIELD This standardized calculation of a mutual fund's yield is based on a formula developed by the Securities and Exchange Commission (SEC) to allow funds to be compared on an equal basis. It is an annualized yield based on the portfolio's potential earnings from dividends, interest and yield to maturity of its holdings, and it reflects the payments of all portfolio expenses for the most recent 30-day period. Mutual funds are required to use this figure when stating yield.

TOTAL RETURN Total return measures a fund's performance, taking into account the combination of dividends paid and the gain or loss in the value of the securities held in the portfolio. It may be expressed on an AVERAGE ANNUAL basis or CUMULATIVE basis (total change over a given period). In addition, total return may be expressed with or without the effects of sales charges or the reinvestment of dividends and capital gains.

Whenever a fund reports any type of performance, it must also report the average annual total return according to the standardized calculation developed by the SEC. The SEC AVERAGE ANNUAL TOTAL RETURN calculation includes the effects of all fees and sales charges and assumes the reinvestment of all dividends and capital gains.

28

LIMITED
MATURITY
MUNICIPALS
FUND

TRUSTEES

Herbert Barg
Alfred J. Bianchetti
Martin Brody
Dwight B. Crane
Burt N. Dorsett
Elliot S. Jaffe
Stephen E. Kaufman
Joseph J. McCann
Heath B. McLendon
Cornelius C. Rose, Jr.

OFFICERS

Heath B. McLendon
CHAIRMAN OF THE BOARD
AND INVESTMENT OFFICER

Jessica M. Bibliowicz
PRESIDENT

Lewis E. Daidone
SENIOR VICE PRESIDENT
AND TREASURER

Lawrence T. McDermott
VICE PRESIDENT AND
INVESTMENT OFFICER

Christina T. Sydor
SECRETARY

[LOGO]

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SMITH BARNEY
MUTUAL FUNDS
388 Greenwich Street
New York, New York 10013

Fund 163, 482, 498

