

SECURITIES AND EXCHANGE COMMISSION

FORM N-30D

Initial annual and semi-annual reports mailed to investment company shareholders pursuant to Rule 30e-1 (other than those required to be submitted as part of Form NCSR)

Filing Date: **1996-08-26** | Period of Report: **1996-06-30**
SEC Accession No. **0000069405-96-000016**

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FILER

PIONEER INCOME FUND INC/MA

CIK: **69405** | IRS No.: **476046573** | State of Incorp.: **MA** | Fiscal Year End: **1231**
Type: **N-30D** | Act: **40** | File No.: **811-01605** | Film No.: **96620430**

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Pioneer
Income
Fund

Semiannual Report
June 30, 1996

Pioneer Income Fund

Dear Shareowners:

The first six months of 1996 saw mixed results in U.S. financial markets. Corporate earnings generally remained strong, if no longer increasing robustly, but interest rates moved up noticeably. Consequently, prices of different types of securities went in different directions. Many stocks continued to perform well, particularly those in high-growth sectors. Interest-rate-sensitive securities such as utility and insurance stocks tended to lag or even decline in price, and bonds fell across the board.

It was an exciting period for speculators in "hot new issues" in software and networking technology, biotechnology and other glamorous areas. Managing your Fund, which concentrates on bonds and higher dividend-paying stocks, we found ourselves in what seemed at times like an investment backwater. As we write, a serious "correction" appears to be in progress, and much of the unwarranted differential in performance between market sectors has vanished. What the rest of the year holds in store we do not know, but we are hopeful financial markets will not fluctuate quite so wildly and that relative valuations will again become more reasonable.

HOW YOUR FUND PERFORMED

Following are the results for Pioneer Income Fund for the six months ended June 30, 1996:

CLASS A SHARES

- * The Fund provided a 5.47% 30-day yield on June 30, 1996, based on net asset value.
- * Shareowners received a total of \$0.32 per share in income dividends during the six months.
- * Net asset value was \$10.09 per share on June 30, 1996, versus \$10.30 at December 31, 1995. After adjusting for the payment of distributions, the Fund's share price was little changed.
- * The Fund produced a six-month total return of 1.11% based on net asset value, and -3.48% for shareowners who paid the maximum 4.5% sales charge at the beginning of the period. Total return assumes reinvestment of distributions at net asset value.

CLASS B SHARES

- * Class B shares offered a 30-day yield of 5.20% as of June 30.
- * Income dividends paid to shareowners during the six months totaled \$0.28 per share.
- * Net asset value per share was \$10.06 at June 30, versus \$10.27 at December 31, 1995. After adjusting for the payment of distributions, the Fund's share price was little changed.
- * For the six months, the Fund provided a total return of 0.71% at net asset value. If shares were sold and the maximum 4% contingent deferred sales charge paid at the end of the period, total return was -3.21%. Total return assumes reinvestment of all distributions.

CLASS C SHARES

The Fund introduced Class C shares on January 31, 1996. We report the following results since that time:

- * On June 30, Class C shares provided a 30-day yield of 7.37%.
- * Since January 31, shareowners received \$0.27 per share in income dividends.
- * Net asset value was \$10.09 per share on June 30, versus \$10.39 on January 31.

* The Fund generated a total return of -0.26% if shares were held throughout the abbreviated period, and -1.23% if shares were sold and the 1% contingent deferred sales charge deducted on June 30.

By way of comparison, the unmanaged Lehman Brothers Corporate Bond Index recorded a total return of -2.53% for the six months ended June 30, 1996. The unmanaged Standard & Poor's 500 Index of stocks rose by 10.08% over the period.

The following table shows the Fund's returns over longer time periods.

 AVERAGE ANNUAL TOTAL RETURNS
 (As of June 30, 1996)

Class A Shares	Net Asset Value	Public Offering Price*
-----	-----	-----
10 Years	9.02%	8.51%
5 Years	9.22	8.23
1 Year	11.04	6.06
Class B Shares	If Held	If Redeemed**
-----	-----	-----
Life-of-Fund		
(4/28/95)	12.20%	8.87%
1 Year	10.17	6.17

HOW PIONEER MANAGED YOUR INVESTMENT

The Fund continued to have a balance of about 60% bonds and 30% stocks, with 10% in "hybrid" instruments such as convertible preferred stocks, convertible debentures and real estate investment trusts.

During the first six months of 1996, bond prices in general moved lower as yields on United States Treasury securities drifted higher by about 1%. Bond investors became concerned once again about the potential for price-and-wage inflation. On a positive note, corporate debt securities, the bulk of the Fund's fixed-income investments, did not decline in price quite as much as Treasuries. In addition, issues with medium-range maturities, where the portfolio is concentrated, did not suffer to the full extent that longer maturity bonds did. Most, 69%, of the Fund's bonds have an effective maturity of less than 10 years. Overall, the fixed-income securities in the portfolio have an average effective maturity of nine years, and an average quality rating of A.

The principal change in bond holdings was an increase in industrial bonds and a corresponding decrease in utility bonds. We took advantage of the weak market to add positions in the debt securities of Hook SuperRx, Kansas City Southern Industries, New America Holdings, Tele-Communications and Tenet Healthcare. We sold electric-cooperative bonds.

On the stock side, we added a number of positions to give the portfolio more diversification. Chrysler, the automobile and truck manufacturer, Greif Brothers, a packaging company, and Gorman-Rupp, a maker of pumps, enhance the portfolio's cyclical exposure. We substituted Mobil for Texaco in the oil-and-gas sector. Eastman Kodak, the premier film producer, is in the midst of an improvement attributable to new management. Among convertible stocks, we sold the Raymond issue, which had performed very well, and purchased a convertible preferred issue of Kmart, also a company with new management and the potential for improvement in earnings.

 *Reflects deduction of the maximum 4.5% sales charge at the beginning of the period and assumes reinvestment of all distributions at net asset value.

**Reflects deduction of the maximum 4% contingent deferred sales charge at the end of the period and assumes reinvestment of all distributions.

Past performance does not guarantee future results. Returns and share prices fluctuate, and your shares, when redeemed, may be worth more or less than their original cost.

LOOKING AHEAD

So far, 1996 has been as rocky as 1995 was smooth. Investors should keep in mind that securities prices do not move steadily but rather fluctuate around "trend lines" over longer periods of time. Overall, stocks generally reflect the direction of corporate earnings, and bond prices reflect (inversely) the direction of interest rates. However, stocks, too, are affected by interest rates. Corporate borrowing costs are often an important part of company expenses, and higher bond yields also compete directly with stocks for investors' hard-earned savings. Pioneer Income Fund, through its diversified bond and stock portfolio, permits the investor to participate in both markets.

On a final note, we are pleased to announce that we will be giving semiannual and annual reports a facelift, including easy-to-find and use graphic summaries. Your annual report dated December 31, 1996, will reflect these enhancements. We wish to thank all of you who took the time to respond to our questions about what you want to see in fund reports.

On the following pages, please find the Fund's audited Schedule of Investments and financial statements as of June 30, 1996. If you do wish to speak to someone about your investment in Pioneer Income Fund, please contact your investment representative, or call us directly at 1-800-225-6292. Thank you for your continuing support.

Respectfully submitted,

/s/John F. Cogan, Jr.

John F. Cogan, Jr.
Chairman and President,
Pioneer Income Fund

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Pioneer Income Fund
Schedule of Investments
June 30, 1996

<TABLE>

<CAPTION>

Principal Amount	Standard & Poor's/Moody's Rating (unaudited)		Value
<C>	<C>	<S>	<C>
		INVESTMENT IN SECURITIES -- 99.6%	
		DEBT OBLIGATIONS -- 62.3%	
		INDUSTRIALS -- 40.9%	
\$2,000,000	BB+/Baa3	AMR Corp., 9.75%, 2000	\$ 2,158,700
4,950,000	BB+/Baa3	AMR Corp., 9.88%, 2020	5,753,335
2,500,000	BBB/Baa1	Ashland Oil	2,751,575
2,000,000	B+/B1	Bethlehem Steel Corp., 10.375%, 2003	2,120,000
2,000,000	BBB-/Baa1	Bowater, Inc., 9.0%, 2009	2,207,460
3,000,000	BBB/Baa1	Bowater, Inc., 9.375%, 2021	3,459,060
5,000,000	AA-/A1	BP America, Inc., 10.0%, 2018	5,492,250
3,000,000	A/A2	Caterpillar Inc., 9.75%, 2019	3,352,890
2,000,000	BBB-/Baa3	Centex Corp., 8.75%, 2007	2,051,180
5,000,000	BB+/Baa2	Delta Air Lines Trust, 9.2%, 2014	5,482,600
3,000,000	BB-/Ba1	Domtar Inc., 11.25%, 2017	3,180,000
4,000,000	BB-/Ba1	Federated Department Stores Inc., 10.0%, 2001	4,210,000
5,000,000	BBB+/A3	General Motors Corp., 9.4%, 2021	5,844,250
4,000,000	BBB-/Baa2	Georgia-Pacific Corp., 9.875%, 2021	4,332,480
1,000,000	BBB-/Ba1	Hook-SupeRx, Inc., 10.125%, 2002	1,068,750
3,000,000	BBB/Ba1	Joy Technologies Inc., 10.25%, 2003	3,300,000
3,000,000	BBB+/Baa2	Kansas City Southern Industries, Inc., 8.8%, 2022	3,119,460
1,500,000	A/A2	The May Department Stores Co., 9.875%, 2000	1,644,990
5,000,000	BBB/Baa3	New America Holdings, Inc., 10.125%, 2012	5,622,500
4,100,000	BBB/Baa1	Phillips Petroleum Co., 8.86%, 2022	4,351,945
1,500,000	BB-/B1	Rexene Corp., 11.75%, 2004	1,552,500
1,500,000	BBB/Baa2	Shopko Stores Inc., 9.25%, 2022	1,571,250
3,000,000	BB-/B1	Stone Container Corp., 10.75%, 2002	3,030,000
2,400,000	BBB-/Ba1	Tele-Communications, Inc., 8.75%, 2023	2,264,448
2,000,000	BB/Ba1	Tenet Healthcare Corp., 8.625%, 2003	2,027,500
2,000,000	B+/Ba3	Tenet Healthcare Corp., 10.125%, 2005	2,110,000
5,000,000	BBB-/Ba1	Time Warner, Inc., 9.15%, 2023	5,169,700
1,000,000	BB-/Ba3	Unisys Corp., 13.5%, 1997	1,057,500
8,000,000	BB+/Baa3	USX Corp., 9.375%, 2012	8,820,320
2,000,000	BB-/B1	Viacom International Inc., 10.25%, 2001	2,140,000
3,000,000	A/A2	Virginia Electric and Power Co., 8.75%, 2021	3,144,000
3,500,000	B/B2	Weirton Steel Corp., 10.75%, 2005	3,325,000
2,000,000	BBB-/Ba1	Westinghouse Electric Corp., 8.625%, 2012	1,930,340

			\$109,645,983

</TABLE>

The accompanying notes are an integral part of these financial statements.

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Pioneer Income Fund
<TABLE>
Schedule of Investments

<CAPTION>

Principal Amount	Standard & Poor's/Moody's Rating (unaudited)		Value
<C>	<C>	<S>	<C>
		UTILITIES -- 12.1%	
\$2,500,000	NR/Aaa	Big Rivers Electric Cooperative, 9.5%, 2017	\$ 2,720,925
2,000,000	AAA/Aaa	Cajun Electric Power Cooperative, 8.92%, 2019	2,190,000
3,000,000	AAA/Aaa	Cajun Electric Power Cooperative, 9.52%, 2019	3,264,990
2,000,000	BB+/Baa3	Coastal Corp., 9.625%, 2012	2,278,380
5,000,000	BBB/Baa2	Commonwealth Edison Co., 9.75%, 2020	5,651,800
5,000,000	BB+/Ba2	NorAm Energy Corp., 10.0%, 2019	5,469,700
7,000,000	AAA/Aaa	Rural Electric Cooperative (Kansas Electric Power), 9.73%, 2017	7,554,050
3,000,000	AAA/Aaa	Rural Electric Cooperative (Soyland), 9.7%, 2017	3,236,790

			\$ 32,366,635

		BANKS AND FINANCIAL -- 2.9%	
5,000,000	AAA/Aaa	General Electric Capital Corp., 8.85%, 2005	\$ 5,524,100
2,000,000	BBB+/A3	General Motors Acceptance Corp., 8.5%, 2003	2,129,660

			\$7,653,760

		U.S. GOVERNMENT OBLIGATIONS -- 4.0%	
1,500,000	AAA/Aaa	United States Treasury Note, 6.375%, 2000	\$ 1,499,760
4,000,000	AAA/Aaa	United States Treasury Note, 7.75%, 2001	4,203,760
5,000,000	AAA/Aaa	United States Treasury Note, 8.5%, 1997	5,105,450

			\$ 10,808,970

		FOREIGN BONDS -- 2.4%	
4,850,000	A+/A2	Hydro-Quebec, 9.75%, 2018	\$ 5,376,759
1,872,868	NR/NR	Mexico City - Toluca Toll Road, 11.0%, 2002, 144A	1,114,356

			\$ 6,491,115

		TOTAL DEBT OBLIGATIONS (Cost \$166,379,807)	\$166,966,463

		CONVERTIBLE BOND -- 0.4%	
990,000		Atlantic Richfield Co., Exchangeable Notes, 9.0%, 1997	\$ 975,000

		TOTAL CONVERTIBLE BOND (Cost \$990,000)	\$ 975,000

</TABLE>

The accompanying notes are an integral part of these financial statements.

Pioneer Income Fund

<TABLE>

Schedule of Investments
June 30, 1996 (Continued)

<CAPTION>

Shares		Value
<C>	<S>	<C>
	PREFERRED STOCKS -- 5.6%	
50,000	Bethlehem Steel, Conv., \$3.50, 1996	\$ 2,087,500
50,000	Reynolds Metals Co., Conv., 7.00%, 1996	2,318,750
35,000	Kmart Financing Corp., Conv., 7.75%, 2016	1,898,750
117,000	Elf Overseas, 8.5%	2,954,250
10,200	United Dominion Realty (Class A)	258,825
65,700	Rouse Co., Conv., 6.5%, 1996	3,999,488
38,150	Sprint Corp., Conv., 8.25%, 2000	1,535,537

	TOTAL PREFERRED STOCKS (Cost \$14,132,600)	\$ 15,053,100

	COMMON STOCKS -- 31.3%	
	CHEMICALS -- 1.2%	
42,000	E.I. du Pont de Nemours and Co.	\$ 3,323,250

	CONSUMER DURABLES -- 2.5%	
27,500	Chrysler Corp.	\$ 1,705,000
125,000	Ford Motor Co.	4,046,875
22,600	The May Department Stores Co.	988,750

		\$ 6,740,625
	CONSUMER NON-DURABLES -- 3.0%	
50,000	CPC International, Inc.	\$ 3,600,000
150,000	H.J. Heinz & Co.	4,556,250
		\$ 8,156,250
	CONTAINERS -- 0.4%	
30,800	Greif Brothers Corp. (Class A)	\$ 985,600
	ELECTRONICS -- 0.2%	
26,000	DuPont Photomask, Inc.	\$ 533,000
	ENERGY -- 0.3%	
5,700	Atlantic Richfield Co.	\$ 675,450
	FINANCIAL -- 3.8%	
50,000	Boatmen's Bancshares, Inc.	\$ 2,006,250
216,300	Huntington Bancshares Inc.	5,164,163
50,000	Northern Trust Corp.	2,887,500
		\$10,057,913
	OIL & GAS EXTRACTION -- 1.0%	
25,000	Mobil Corp.	\$ 2,803,125

</TABLE>

The accompanying notes are an integral part of these financial statements.

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Pioneer Income Fund

<TABLE>

Schedule of Investments
June 30, 1996 (Continued)

<CAPTION>

Shares		Value
<C>	<S>	<C>
	PHOTO/INSTRUMENTATION -- 1.5%	
50,000	Eastman Kodak Co.	\$ 3,887,500
	PRODUCER GOODS -- 0.3%	
60,000	The Gorman-Rupp Co.	\$ 795,000
	REAL ESTATE -- 5.8%	
200,000	BRE Properties, Inc. (Class A)	\$ 3,900,000
180,100	Carr Realty Corp.	4,322,400
120,800	Health Care REIT, Inc.	2,597,200
333,100	United Dominion Realty Trust, Inc.	4,788,313
		\$ 15,607,913
	TELECOMMUNICATIONS -- 7.5%	
96,000	Ameritech Corp.	\$ 5,700,000
39,600	AT & T Corp.	2,455,200
100,000	Nynex Corp.	4,750,000
175,000	Pacific Telesis Group	5,906,250
40,000	U.S. West, Inc.	1,275,000
		\$ 20,086,450
	TRANSPORTATION -- 0.2%	
23,700	Canadian National Railway Co.+.....	\$ 435,487
	UTILITIES -- 3.6%	
200,000	Allegheny Power System, Inc.	\$ 6,175,000
40,000	Brooklyn Union Gas Co.	1,090,000
89,200	E'Town Corp.	2,475,300
		\$ 9,740,300
	TOTAL COMMON STOCKS (Cost \$68,627,177)	\$ 83,827,863
	TOTAL INVESTMENT IN SECURITIES (Cost \$250,129,584)	\$266,822,426
Principal Amount		

	TEMPORARY CASH INVESTMENT -- 0.4%	
	COMMERCIAL PAPER -- 0.4%	
\$1,168,000	Ford Motor Credit Co., 5.5%, 7/1/96	\$ 1,168,000

	TOTAL TEMPORARY CASH INVESTMENT (Cost \$1,168,000)	\$ 1,168,000

	TOTAL INVESTMENT IN SECURITIES AND	
	TEMPORARY CASH INVESTMENT -- 100.0%	
	(Cost \$251,297,584) (a)	\$267,990,426
		=====

</TABLE>

The accompanying notes are an integral part of these financial statements.

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Pioneer Income Fund
Schedule of Investments
June 30, 1996 (Continued)

+ Security purchased on an installment basis. Market value reflects only those payments made through June 30, 1996. Additional subscription payment of C\$10.75 will be required on November 26, 1996.

144A Security 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 June 30, 1996, the value of these securities amounted to \$1,114,356 or 0.4% of total net assets.

NR Not rated.

(a) At June 30, 1996, the net unrealized gain on investments based on cost for federal income tax purposes of \$251,297,584 was as follows:

Aggregate gross unrealized gain for all investments	
in which there is an excess of value over tax cost.....	\$ 21,480,342
Aggregate gross unrealized loss for all investments	
in which there is an excess of tax cost over value.....	(4,787,500)

Net unrealized gain.....	\$ 16,692,842
	=====

Purchases and sales of securities (excluding temporary cash investments) for the six months ended June 30, 1996 were as follows:

	Purchases	Sales
	-----	-----
Long-term U.S. Government	\$12,162,642	\$11,810,156
Other Long-term Securities	35,875,349	36,010,031

The accompanying notes are an integral part of these financial statements.

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Pioneer Income Fund
Balance Sheet
June 30, 1996

ASSETS:

Investment in securities, at value (including temporary cash investment of \$1,168,000) (cost \$251,297,584; see Schedule of Investments and Note 1).....	\$267,990,426
Cash	61,386
Receivables --	
Investment securities sold.....	3,309,178
Fund shares sold	257,335
Dividends and interest	4,339,230
Other	1,115

Total assets	\$275,958,670

LIABILITIES:

Payables --	
Fund shares repurchased	\$ 94,557
Dividends	234
Due to affiliates (Notes 2, 3 and 4)	379,215
Accrued expenses	47,890

Total liabilities	\$ 521,896

NET ASSETS:

Paid-in capital (Note 1)	\$258,034,503
Distributions in excess of net investment income (Note 1).....	(115,467)
Accumulated undistributed net realized gain	
on investments (Note 1)	824,896
Net unrealized gain on investments.....	16,692,842

Total net assets.....	\$275,436,774
=====	
NET ASSET VALUE PER SHARE:	
Class A -- (based on \$270,398,854 / 26,806,764 shares of beneficial interest outstanding -- unlimited number of shares authorized)	\$10.09
=====	
Class B -- (based on \$4,520,453 / 449,214 shares of beneficial interest outstanding -- unlimited number of shares authorized)	\$10.06
=====	
Class C -- (based on \$517,467 / 51,278 shares of beneficial interest outstanding -- unlimited number of shares authorized).....	\$10.09
=====	
MAXIMUM OFFERING PRICE:	
Class A	\$10.57
=====	

The accompanying notes are an integral part of these financial statements.

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Pioneer Income Fund
Statement of Operations
For the Six Months Ended June 30, 1996

INVESTMENT INCOME (NOTE 1):	
Dividends (net of foreign taxes withheld of \$2,351)	\$ 2,500,801
Interest	7,586,498

Total investment income	\$10,087,299

EXPENSES:	
Management fees (Note 2)	\$ 693,788
Distribution fees (Note 4)	
Class A	343,975
Class B	16,160
Class C	1,531
Transfer agent fees (Note 3)	
Class A	373,515
Class B	4,092
Class C	397
Registration fees	35,820
Professional fees	18,233
Accounting (Note 2)	31,500
Custodian fees	22,705
Printing	5,390
Fees and expenses of nonaffiliated trustees	9,220
Miscellaneous	20,850

Total expenses	\$ 1,577,176
Less fees paid indirectly (Note 5)	(32,996)

Net expenses	\$ 1,544,180

Net investment income	\$ 8,543,119

REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS:	
Net realized gain on investments (Note 1)	\$ 1,613,709
Change in net unrealized gain on investments	(7,211,060)

Net loss on investments	\$(5,597,351)

Net increase in net assets resulting from operations	\$ 2,945,768
=====	

The accompanying notes are an integral part of these financial statements.

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Pioneer Income Fund
Statements of Changes in Net Assets
For the Six Months Ended June 30, 1996 and the Year Ended December 31, 1995

<TABLE>
<CAPTION>

	Six Months Ended June 30, 1996	Year Ended December 31, 1995
	-----	-----
<S>	<C>	<C>

FROM OPERATIONS:		
Net investment income	\$ 8,543,119	\$ 17,780,699
Net realized gain on investments	1,613,709	2,830,576
Change in net unrealized gain/loss on investments	(7,211,060)	33,075,737
	-----	-----
Net increase in net assets resulting from operations	2,945,768	\$ 53,687,012
	-----	-----
DISTRIBUTIONS TO SHAREHOLDERS:		
From net investment income		
Class A (\$0.32 and \$0.65 per share, respectively)	(8,444,663)	\$ (17,646,195)
Class B (\$0.25 and \$0.46 per share, respectively)	(89,674)	(40,696)
Class C (\$0.20 and \$0.00 per share, respectively)	(8,782)	--
In excess of net investment income		
Class A (\$0.00 and \$0.00 per share, respectively)	(96,324)	--
Class B (\$0.03 and \$0.00 per share, respectively)	(15,524)	--
Class C (\$0.07 and \$0.00 per share, respectively)	(3,619)	--
From net realized gain on investments		
Class A (\$0.00 and \$0.11 per share, respectively)	--	(2,813,942)
Class B (\$0.00 and \$0.11 per share, respectively)	--	(16,634)
In excess of net realized gain on investments		
Class A (\$0.00 and \$0.00 per share, respectively)	--	(83,040)
Class B (\$0.00 and \$0.00 per share, respectively)	--	(491)
	-----	-----
Decrease in net assets resulting from distributions to shareholders	\$ (8,658,586)	\$ (20,600,998)
	-----	-----
FROM FUND SHARE TRANSACTIONS:		
Net proceeds from sale of shares	17,949,210	\$ 22,365,044
Net asset value of shares issued to shareholders in reinvestment of distributions	7,281,971	17,287,840
Cost of shares repurchased	(27,519,994)	(49,270,950)
	-----	-----
Net decrease in net assets resulting from fund share transactions.....	\$ (2,288,813)	\$ (9,618,066)
	-----	-----
Net increase (decrease) in net assets	(8,001,631)	\$ 23,467,948
NET ASSETS:		
Beginning of period	283,438,405	259,970,457
	-----	-----
End of period (including distributions in excess of net investment income of \$115,467 and \$0, respectively)	\$275,436,774	\$283,438,405
	=====	=====

</TABLE>

The accompanying notes are an integral part of these financial statements.

Pioneer Income Fund
Statements of Changes in Net Assets
For the Six Months Ended June 30, 1996 and the Year Ended December 31, 1995
(Continued)

<TABLE>

<CAPTION>

	Six Months Ended June 30, 1996		Year Ended December 31, 1995	
	Shares	Amount	Shares	Amount
<S>	<C>	<C>	<C>	<C>
CLASS A				
Shares sold	1,412,853	\$ 14,461,882	2,103,203	\$ 20,546,527
Shares issued to shareholders in reinvestment of distributions	715,305	7,185,185	1,747,425	17,240,367
Less shares repurchased	(2,664,057)	(27,262,378)	(5,050,730)	(49,169,717)
	-----	-----	-----	-----
Net decrease	(535,899)	\$ (5,615,311)	(1,200,102)	\$ (11,382,823)
	=====	=====	=====	=====
CLASS B*				
Shares sold	290,267	\$ 2,966,920	180,493	\$ 1,818,517
Shares issued to shareholders in reinvestment of distributions	8,950	89,640	4,715	47,473
Less shares repurchased	(25,215)	(256,516)	(9,996)	(101,233)
	-----	-----	-----	-----
Net increase	274,002	\$ 2,800,044	175,212	\$ 1,764,757
	=====	=====	=====	=====
CLASS C**				
Shares sold	50,672	\$ 520,408		
Shares issued to shareholders in reinvestment of distributions	714	7,146		
Less shares repurchased	(108)	(1,100)		
	-----	-----		
Net increase	51,278	\$ 526,454		
	=====	=====		

<FN>

*Class B shares were first publicly offered on April 28, 1995.

**Class C shares were first publicly offered on January 31, 1996.

</FN>

</TABLE>

The accompanying notes are an integral part of these financial statements.

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Pioneer Income Fund

Financial Highlights -- Selected Data for a Share Outstanding for the Periods Presented

<TABLE>

<CAPTION>

	Six Months Ended										
	June 30, 1996	For the Years Ended December 31,									
CLASS A	1996	1995	1994	1993++	1992	1991	1990	1989	1988	1987	1986
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Net asset value, beginning of period	\$10.30	\$ 9.11	\$10.21	\$10.13	\$10.14	\$ 9.14	\$ 9.53	\$ 8.92	\$ 8.67	\$ 8.94	\$ 9.17
Increase (decrease) from investment operations:											
Net investment income	\$ 0.32	\$ 0.66	\$ 0.66	\$ 0.65	\$ 0.65	\$ 0.65	\$ 0.70	\$ 0.74	\$ 0.77	\$ 0.76	\$ 0.80
Net realized and unrealized gain (loss) on investments	(0.21)	1.29	(1.09)	0.37	0.09	1.00	(0.38)	0.63	0.27	(0.14)	0.04
Net increase (decrease) from investment operations	0.11	\$ 1.95	\$(0.43)	\$ 1.02	\$ 0.74	\$ 1.65	\$ 0.32	\$ 1.37	\$ 1.04	\$ 0.62	\$ 0.84
Distributions to shareholders from:											
Net investment income	(0.32)	(0.65)	(0.67)	(0.64)	(0.66)	(0.65)	(0.71)	(0.75)	(0.76)	(0.76)	(0.80)
Net realized gain	--	(0.11)	--	(0.30)	(0.09)	--	--	(0.01)	(0.03)	(0.13)	(0.27)
Net increase (decrease) in net asset value	\$(0.21)	\$ 1.19	\$(1.10)	\$ 0.08	\$(0.01)	\$ 1.00	\$(0.39)	\$ 0.61	\$ 0.25	\$(0.27)	\$(0.23)
Net asset value, end of period	\$10.09	\$10.30	\$ 9.11	\$10.21	\$10.13	\$10.14	\$ 9.14	\$ 9.53	\$ 8.92	\$ 8.67	\$ 8.94
Total return*	1.11%	22.00%	(4.31%)	10.24%	7.59%	18.62%	3.59%	15.89%	12.29%	6.82%	9.29%
Ratio of net expenses to average net assets	1.12%***	1.13%+	1.11%	1.06%	0.99%	1.04%	0.94%	0.78%	0.80%	0.79%	0.77%
Ratio of net investment income to average net assets	6.12%***	6.58%+	7.07%	6.52%	6.47%	6.73%	7.67%	7.98%	8.55%	8.29%	8.46%
Portfolio turnover rate	35%**	25%	50%	69%	54%	43%	44%	69%	87%	115%	76%
Average commission rate paid per exchange listed transaction	\$ 0.0579	--	--	--	--	--	--	--	--	--	--
Net assets, end of period (in thousands)	\$270,399	\$281,639	\$259,970	\$296,699	\$250,033	\$197,184	\$166,205	\$169,607	\$159,212	\$149,659	\$118,760
Ratios assuming reduction for fees paid indirectly:											
Net expenses	1.10%**	1.11%	--	--	--	--	--	--	--	--	--
Net investment income	6.14%**	6.60%	--	--	--	--	--	--	--	--	--

<FN>

+ Ratios assuming no reduction for fees paid indirectly.

++ Prior to the assumption of the management agreement on December 1, 1993 by Pioneering Management Corporation, the Fund was advised by Mutual of Omaha Fund Management Company.

* Assumes initial investment at net asset value at the beginning of each period, reinvestment of all distributions, the complete redemption of the investment at net asset value at the end of each period and no sales charges. Total return would be reduced if sales charges were taken into account.

** Annualized.

</FN>

</TABLE>

The accompanying notes are an integral part of these financial statements.

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Pioneer Income Fund

Financial Highlights - Selected Data for a Share Outstanding for the Periods Presented (Continued)

<TABLE>

<CAPTION>

	Six Months Ended June 30, 1996	April 28, 1995, to December 31, 1995
<S>	<C>	<C>

CLASS B		
Net asset value, beginning of period	\$ 10.27	\$ 9.55
	-----	-----
Increase (decrease) from investment operations:		
Net investment income	\$ 0.25	\$ 0.39
Net realized and unrealized gain (loss) on investments	(0.18)	0.90
	-----	-----
Net increase from investment operations	\$ 0.07	\$ 1.29
Distributions to shareholders:		
From net investment income	(0.25)	(0.46)
In excess of net investment income	(0.03)	--
From net realized gain	--	(0.11)
	-----	-----
Net increase (decrease) in net asset value	\$ (0.21)	\$ 0.72
	-----	-----
Net asset value, end of period	\$ 10.06	\$ 10.27
	=====	=====
Total return*	0.71%	13.74%
Ratio of net expenses to average net assets	1.85%***	1.88%***
Ratio of net investment income to average net assets	5.48%***	5.83%***
Portfolio turnover rate	35%**	25%
Average commission rate paid per exchange listed transaction	\$0.0579	--
Net assets, end of period (in thousands)	\$ 4,520	\$ 1,800
Ratios assuming reduction for fees paid indirectly:		
Net expenses	1.81%**	1.78%**
Net investment income	5.52%**	5.93%**

January 31, 1996
to June 30, 1996

CLASS C***		
Net asset value, beginning of period		\$ 10.39

Increase (decrease) from investment operations:		
Net investment income		\$ 0.20
Net realized and unrealized loss on investments		(0.23)

Net decrease from investment operations		\$ (0.03)
Distributions to shareholders:		
From net investment income		(0.20)
In excess of net investment income		(0.07)

Net decrease in net asset value		\$ (0.30)

Net asset value, end of period		\$ 10.09
		=====
Total return*		(0.26%)
Ratio of net expenses to average net assets		1.86%***
Ratio of net investment income to average net assets		5.64%***
Portfolio turnover rate		35%**
Average commission rate paid per exchange listed transaction		\$0.0579
Net assets, end of period (in thousands)		\$ 517
Ratios assuming reduction for fees paid indirectly:		
Net expenses		1.80%**
Net investment income		5.70%**

<FN>

+ Ratios assuming no reduction for fees paid indirectly.

* Assumes initial investment at net asset value at the beginning of each period, reinvestment of all distributions, the complete redemption of the investment at net asset value at the end of each period and no sales charges. Total return would be reduced if sales charges were taken into account.

** Annualized

*** Class C shares were first publicly offered on January 31, 1996.

</FN>

</TABLE>

The accompanying notes are an integral part of these financial statements.

1. Pioneer Income Fund (the Fund) is a Delaware business trust registered under the Investment Company Act of 1940 as a diversified, open-end management investment company. The investment objective of the Fund is to seek current income consistent with preservation and conservation of capital. Growth of capital is a secondary consideration.

The Fund offers three classes of shares -- Class A, Class B and Class C shares. Class C shares were first publicly offered on January 31, 1996. The shares of Class A, Class B and Class C represent an interest in the same portfolio of investments of the Fund and have equal rights to voting, redemptions, dividends and liquidation, except that each class of shares can bear different transfer agent and distribution fees and have exclusive voting rights with respect to the distribution plans that have been adopted by Class A, Class B and Class C shareholders, respectively.

The Fund's financial statements have been prepared in conformity with generally accepted accounting principles that require the management of the Fund to, among other things, make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates. The following is a summary of significant accounting policies consistently followed by the Fund, which are in conformity with those generally accepted in the investment company industry:

A. Security Valuation -- Security transactions are recorded on trade date. Debt securities are valued based on valuations furnished by an independent pricing service that utilizes a matrix system. This matrix system reflects such factors as security prices, yields, maturities and ratings and is supplemented by dealer and exchange quotations and fair market value information from other sources, as required. Market discount and premium are accreted or amortized daily on a straight-line basis. Equity securities are valued at the last sale price on the principal exchange where they are traded. Equity securities that have not traded on the date of valuation, or securities for which sale prices are not generally reported, are valued at the mean between the last bid and asked prices. Securities for which market quotations are not readily available are valued at their fair values as determined by, or under the direction of, the Board of Trustees. Temporary cash investments are valued at amortized cost. Dividend income is recorded on the ex-dividend date and interest income is recorded on the accrual basis.

Gains and losses on sales of investments are calculated on the "identified cost" method for both financial reporting and federal income tax purposes. It is the Fund's practice to first select for sale those securities that have the highest cost and also qualify for long-term capital gain or loss treatment for tax purposes.

Settlements from litigation and class action suits are recognized when the Fund acquires an enforceable right to such awards. These settlements are included in other income to the extent that they are not identifiable with realized or unrealized losses. Included in net realized gain from investments is \$65,026 of class action settlements received by the Fund during the year ended December 31, 1995.

B. Federal Income Taxes -- It is the Fund's policy to comply with the requirements of the Internal Revenue Code applicable to regulated investment companies and to distribute all of its taxable income and net realized capital gains, if any, to its shareholders. Therefore, no federal income tax provision is required.

The characterization of distributions to shareholders for financial reporting purposes is determined in accordance with income tax rules. Therefore, the source of the Fund's distributions may be shown in the accompanying financial statements as either from or in excess of net investment income or net realized gain on investment transactions, or from paid-in capital, depending on the type of book/tax differences that may exist.

C. Fund Shares -- The Fund records sales and repurchases of its shares on trade date. Net losses, if any, as a result of cancellations are absorbed by Pioneer Funds Distributor, Inc. (PFD), the principal underwriter for the Fund and an indirect wholly owned subsidiary of The Pioneer Group, Inc. (PGI). PFD earned \$46,271 in underwriting commissions on the sale of fund shares during the six months ended June 30, 1996. Distributions to shareholders are recorded as of the ex-dividend date. Distributions paid by the Fund, if any, with respect to each class of shares are calculated in the same manner, at the same time, on

the same day and in the same amount, except that Class A, Class B and Class C shares can bear different transfer agent and distribution fees.

D. Class Allocations -- Distribution fees are calculated based on the average daily net asset value attributable to Class A, Class B and Class C shares of the Fund, respectively. Shareholders of each class share all expenses and fees paid to the transfer agent, Pioneering Services Corporation (PSC), for their services, which are allocated based on the number of accounts in each class and the ratable allocation of related out-of-pocket expenses (see Note 3). Income, common expenses and realized and unrealized gains and losses are calculated at the Fund level and allocated daily to each class of shares based on the respective percentage of adjusted net assets at the beginning of the day.

2. Pioneering Management Corporation (PMC), the Fund's investment adviser, manages the Fund's portfolio and is a wholly owned subsidiary of PGI. Management fees are calculated daily at the annual rate of 0.50% of the Fund's average daily net assets up to \$250 million; 0.48% of the next \$50 million; and 0.45% of the excess over \$300 million.

In addition, under the management agreement, certain other services and costs, including accounting, regulatory reporting and insurance premiums, are paid by the Fund. Included in due to affiliates is \$112,317 and \$5,429 in management fees and accounting fees, respectively, payable to PMC at June 30, 1996.

3. PSC, a wholly owned subsidiary of PGI, provides substantially all transfer agent and shareholder services to the Fund at negotiated rates. Included in due to affiliates is \$80,542 in transfer agent fees payable to PSC at June 30, 1996.

4. The Fund adopted a Plan of Distribution for each Class of shares (Class A Plan, Class B Plan and Class C Plan) in accordance with Rule 12b-1 of the Investment Company Act of 1940. Pursuant to the Class A Plan, the Fund pays PFD a service fee of up to 0.25% of the Fund's average daily net assets in reimbursement of its actual expenditures to finance activities primarily intended to result in the sale of Class A shares. Pursuant to the Class B Plan and Class C Plan, the Fund pays PFD 1.00% of the average daily net assets attributable to each class of shares. The fee consists of a 0.25% service fee and a 0.75% distribution fee paid as compensation for personal services and/or account maintenance services or distribution services with regard to Class B and Class C shares. Included in due to affiliates is \$180,927 in distribution fees payable to PFD at June 30, 1996.

In addition, redemptions of each class of shares may be subject to a contingent deferred sales charge (CDSC). A CDSC of 1.00% may be imposed on certain net asset value purchases of Class A shares that are redeemed within one year of purchase. Class B shares that are redeemed within six years of purchase are subject to a CDSC at declining rates beginning at 4.0% based on the lower of cost or market value of shares being redeemed. Redemptions of Class C shares within one year of purchase are subject to a CDSC of 1.00%. Proceeds from the CDSC are paid to PFD. For the six months ended June 30, 1996, CDSCs in the amount of \$1,191 were paid to PFD.

5. The Fund has entered into certain expense offset arrangements resulting in a reduction in the Fund's total expenses. For the six months ended June 30, 1996, the Fund's expenses were reduced by \$32,996 under such arrangements.

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Pioneer Income Fund
Report of Independent Public Accountants

To the Shareholders and the Board of Trustees of Pioneer Income Fund:

We have audited the accompanying balance sheet of Pioneer Income Fund, including the schedule of investments, as of June 30, 1996, and the related statement of operations for the period then ended, and statements of changes in net assets for the periods presented and financial highlights for the periods ended June 30, 1996, December 31, 1995 and December 31, 1994. These financial statements and financial highlights are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits. The financial highlights for each of the eight years ended December 31, 1993, were audited by other auditors whose report dated February 22, 1994 expressed an unqualified opinion.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of June 30, 1996 by correspondence with the custodian. An audit also includes assessing the accounting principles used and significant estimates made by management, as

well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of Pioneer Income Fund as of June 30, 1996, the results of its operations for the period then ended, and the changes in its net assets for the periods presented, and financial highlights for the periods ended June 30, 1996, December 31, 1995 and December 31, 1994, in conformity with generally accepted accounting principles.

ARTHUR ANDERSEN LLP

Boston, Massachusetts
August 1, 1996

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PIONEER INCOME FUND
60 State Street
Boston, Massachusetts 02109

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Pioneer Funds
Distributor, Inc.

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Brown Brothers
Harriman & Co.

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Hale and Dorr

SHAREHOLDER
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INDEPENDENT
PUBLIC
ACCOUNTANTS
Arthur Andersen LLP

Please call Pioneer for information on:

Existing accounts, new accounts, prospectuses, applications and service forms.....	1-800-225-6292
Fund yields and prices.....	1-800-225-4321
Toll-free fax.....	1-800-225-4240
Retirement plans.....	1-800-622-0176
Telecommunications Device for the Deaf (TDD)...	1-800-225-1997

When distributed to persons who are not shareowners of the Fund, this report must be accompanied by a current prospectus, which discusses the objectives, policies and other information about the Fund. 0896-3599 Copy Rights Pioneer Funds Distributor, Inc.

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