FORM 485BPOS

Post-effective amendments [Rule 485(b)]

Filing Date: **1994-01-10**
SEC Accession No. 0000225323-94-000001

(HTML Version on secdatabase.com)

FILER

FIDELITY COURT STREET TRUST	Mailing Address	Business Address
	82 DEVONSHIRE STREET	*82 DEVONSHIRE ST*
CIK:**225323**| IRS No.: **042626105** | State of Incorp.:**MA** | Fiscal Year End: **1130**	*MAIL ZONE ZZ2*	*BOSTON MA 02109*
Type: **485BPOS** | Act: **33** | File No.: **002-58774** | Film No.: **94500908**	*BOSTON MA 02109*	*6174391652*

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM N-1A
REGISTRATION STATEMENT (NO 2-58774)
UNDER THE SECURITIES ACT OF 1933 [ ]

Pre-Effective Amendment No. [ ]

Post-Effective Amendment No. 49 [x]

and
REGISTRATION STATEMENT UNDER THE INVESTMENT
COMPANY ACT OF 1940 [x]

Amendment No.

Fidelity Court Street Trust
(Exact Name of Registrant as Specified in Charter)
82 Devonshire St., Boston, MA 02109
(Address of Principal Executive Offices)
Registrant's Telephone Number (617) 570-7000
Arthur S. Loring, Secretary
82 Devonshire Street,
Boston, Massachusetts 02109
(Name and Address of Agent for Service)
It is proposed that this filing will become effective
( ) Immediately upon filing pursuant to paragraph (b)
(x) On January 14, 1994 pursuant to paragraph (b) of Rule 485
( ) 60 days after filing pursuant to paragraph (a) of Rule 485
( ) On pursuant to paragraph (a) of Rule 485
Registrant has filed a declaration pursuant to Rule 24f-2 under the Investment Company Act of 1940 and intends to file the Notice required by such Rule before January 31, 1994.

SPARTAN NEW JERSEY MUNICIPAL HIGH YIELD PORTFOLIO
CROSS REFERENCE SHEET

<TABLE>
<CAPTION>

<S>	<C>
Part A - Prospectus	
Form N-1A Item Number:	Prospectus Caption:
1 a,b..	Cover Page
2 a..	Expenses
b,c..	*
3 a..	Financial Highlights
b..	*
c..	Performance
4 a(i)...	Charter
a(ii)..	Securities and Investment Practices; Investment Principles; The Fund at a Glance
b..	Securities and Investment Policies
c..	Investment Principles; Securities and Investment Limitations
5 a..	Charter
b..	Cover Page; Breakdown of Expenses
c,d,e,f..	Charter
5A...	Performance

6 a(i)...	Charter
a(ii)...	Transaction Details; Exchange Restrictions; How to Sell Securites
a(iii)...	*
b...	Charter
c,d..	*
e..	Cover Page; How to Buy Shares; How to Sell Shares; Transaction Details; Doing Business with Fidelity
f..	Dividends, Capital Gains, and Taxes
g...	Dividends, Capital Gains, and Taxes; The Fund at a Glance
7 a...	Charter
b(i-iv)...	Transaction Details
b(v)..	Doing Business with Fidelity
c..	*
d...	How to Buy Shares
e...	*
f...	Breakdown of Expenses
8 a...	How to Sell Shares; Breakdown of Expenses; Exchange Restrictions
b..	Doing Business with Fidelity
c..	Transaction Details
d..	How to Sell Shares; Transaction Details; Exchange Restrictions
9..	*

____

* Not Applicable

</TABLE>

SPARTAN NEW JERSEY MUNICIPAL HIGH YIELD PORTFOLIO
CROSS REFERENCE SHEET (CONTINUED)

<TABLE>
<CAPTION>

<S>	<C>
Part B	Statement of Additional Information Caption
10, 11..	Cover Page
12...	*
13 a,b,c...	Investment Policies and Limitations
d...	Portfolio Transactions
14 a,b..	Trustees and Officers
c..	*
15 a,b..	*
c..	Trustees and Officers
16 a(i)...	Portfolio Transactions; FMR
a(ii)..	Trustees and Officers
a(iii),b...	Management Contract; Interest of FMR Affiliates
c,d..	Interest of FMR Affiliates

____

* Not Applicable

</TABLE>

Please read this prospectus before investing, and keep it on file for future reference. It contains important information, including how the fund invests and the services available to shareholders.

A Statement of Additional Information dated January 14, 1994 has been filed with the Securities and Exchange Commission, and is incorporated herein by reference (is legally considered a part of this prospectus). The Statement of Additional Information is available free upon request by calling Fidelity at 1-800-544-8888.

Mutual fund shares are not deposits or obligations of, or endorsed or guaranteed by, any bank, nor are they federally insured or otherwise protected by the FDIC, the Federal Reserve Board, or any other agency.

Spartan New Jersey Municipal High Yield seeks a high level of current income exempt from federal income tax and the New Jersey Gross Income Tax.

SPARTAN(Registered trademark)
NEW JERSEY
MUNICIPAL
HIGH YIELD
PORTFOLIO
PROSPECTUS
JANUARY 14, 1994

LIKE ALL MUTUAL FUNDS, THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION, NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

NJT-pro-194
(Registered trademark)
82 Devonshire Street, Boston, MA 02109
<

r>CONTENTS</r>

KEY FACTS

THE FUND AT A GLANCE

GOAL: High current tax-free income for New Jersey residents. As with any mutual fund, there is no assurance that the fund will achieve its goal.

STRATEGY: Invests mainly in investment-grade municipal securities whose interest is exempt from federal income tax and the New Jersey Gross Income Tax.

MANAGEMENT: Fidelity Management & Research Company (FMR) is the management arm of Fidelity Investments, which was established in 1946 and is now America's largest mutual fund manager.

SIZE: As of November 30, 1993, the fund had over $ 422 million in assets.

WHO MAY WANT TO INVEST

This non-diversified fund may be appropriate for investors in higher tax brackets who seek high current income that is exempt from federal and New Jersey income taxes.

By itself, the fund does not constitute a balanced investment plan. The value of the fund's investments and the income they generate will vary from day to day, generally reflecting changes in interest rates, market conditions, and other federal and state political and economic news. When you sell your shares, they may be worth more or less than what you paid for them.

The Spartan family of funds is designed for cost-conscious investors looking for higher yields through lower costs. The Spartan Approach(Registered trademark) requires investors to make high minimum investments and, in some cases, to pay for individual transactions.

THE SPECTRUM OF
FIDELITY FUNDS

Broad categories of Fidelity funds are presented here in order of ascending risk. Generally, investors seeking to maximize return must assume greater risk. Spartan New Jersey Municipal High Yield is in the INCOME category.

(bullet) MONEY MARKET Seeks income and stability by investing in high-quality, short-term investments.

(arrow) INCOME Seeks income by investing in bonds.

(bullet) GROWTH AND INCOME Seeks long-term growth and income by investing in stocks and bonds.

(bullet) GROWTH Seeks long-term growth by investing mainly in stocks.

(checkmark)
EXPENSES AND PERFORMANCE

EXPENSES

SHAREHOLDER TRANSACTION EXPENSES are charges you pay when you buy or sell shares of a fund. See page 13 for more information.

Maximum sales charge on purchases and reinvested dividends	None
Deferred sales charge on redemptions	None
Redemption Fee (on shares held less than 180 days)	.50%
Exchange and wire transaction fees	$5.00
Account closeout fee	$5.00

THESE FEES ARE WAIVED (except for the redemption fee) if your account balance at the time of the transaction is $50,000 or more.

ANNUAL FUND OPERATING EXPENSES are paid out of the fund's assets. The fund pays a management fee to FMR. Expenses are factored into the fund's share price or dividends and are not charged directly to shareholder accounts (see page 22).

The following are projections based on historical expenses, and are calculated as a percentage of average net assets.

Management fee	.55%
12b-1 fee	None
Other expenses	.00%
Total fund operating expenses	.55%

EXAMPLES: Let's say, hypothetically, that the fund's annual return is 5% and that its operating expenses are exactly as just described. For every $1,000 you invested, here's how much you would pay in total expenses after the number of years indicated, first assuming that you leave your account open, and then assuming that you close your account at the end of the period:

	Account open	Account closed
After 1 year	$ 6	$ 11
After 3 years	$ 18	$ 23
After 5 years	$ 31	$ 36
After 10 years	$ 69	$ 74

These examples illustrate the effect of expenses, but are not meant to suggest actual or expected costs or returns, all of which may vary.

UNDERSTANDING
EXPENSES

Operating a mutual fund
involves a variety of
expenses for portfolio
management, shareholder
statements, tax reporting, and
other services. These costs
are paid from the fund's
assets; their effect is already
factored into any quoted
share price or return.
(checkmark)
FINANCIAL HIGHLIGHTS
The table that follows has been audited by Coopers & Lybrand , independent accountants. Their unqualified report is included in the fund's Annual Report. The Annual Report is incorporated by reference into (is legally a part of) the Statement of Additional Information.
SELECTED PER-SHARE DATA

<TABLE>
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<S>	<C>	<C>	<C>	<C>	<C>	<C>
1.Year ended November 30,	1988C	1989	1990	1991	1992	1993
2.Net asset value, beginning of period	$ 10.000	$ 10.190	$ 10.650	$ 10.620	$ 11.020	$ 11.240
3.Income from Investment Operations Net interest income	.678	.710	.674	.694	.694	.640
4. Net realized and unrealized gain (loss) on investments	.190	.460	.050	.398	.298	.678
5. Total from investment operations	.868	1.170	.724	1.092	.992	1.318
6.Less Distributions From net interest income	(.678)	(.710)	(.674)	(.694)	(.694)	(.640)
7. From net realized gain on investments	--	--	(.080)	--	(.080)	(.160)
8. Total distributions	(.678)	(.710)	(.754)	(.694)	(.774)	(.800)
9. Redemption fees added to paid in capital	--	--	--	.002	.002	.002
10.Net asset value, end of period	$ 10.190	$ 10.650	$ 10.620	$ 11.020	$ 11.240	$ 11.760
11.Total return B	8.94%	11.82 %	7.15 %	10.63 %	9.33 %	12.12 %
12.RATIOS AND SUPPLEMENTAL DATA						
13.Net assets, end of period (000 omitted)	$ 89,666	$ 158,65 5	$ 209,65	$ 289,79	$ 342,73	$ 422,51
8 2	4	9				
14.Ratio of expenses to average net assets	--%	.56	.65	.52	.51	.55
% % %	%	%				
15.Ratio of expenses to average net assets before expense reductions	1.10% A	.82 %	.68 %	.64 %	.56 %	.55 %
16.Ratio of net interest	7.52%	6.76				
6.47 6.44	6.22		5.52			
income to average net assets	A	%	%	%	%	%
17.Portfolio turnover rate	140%	90	82	42	33	25

A % % % % %

</TABLE>

A ANNUALIZED
B TOTAL RETURNS FOR PERIODS OF LESS THAN ONE YEAR ARE NOT ANNUALIZED.
C FROM JANUARY 1, 1988 (COMMENCEMENT OF OPERATIONS) TO NOVEMBER 30, 1988

PERFORMANCE

Bond fund performance can be measured as TOTAL RETURN or YIELD. The total returns and yields that follow are based on historical fund results and do not reflect the effect of any transaction fees you may have paid. The figures would be lower if a fee were taken into account.

The fund's fiscal year runs from December 1 through November 30. The tables below show the fund's performance over past fiscal years compared to a measure of inflation. The chart on page 8 helps you compare the yields of this fund to those of its competitors.

AVERAGE ANNUAL TOTAL RETURNS

Fiscal periods ended November 30, 1993	Past 1 year	Past 5 years	Life of fundA
Spartan NJ High Yield	12.12%	10.20%	10.13%
Consumer Price Index	2.68%	3.92%	.n/a

CUMULATIVE TOTAL RETURNS

Fiscal periods ended November 30, 1993	Past 1 year	Past 5 years	Life of fundA
Spartan NJ High Yield	12.12%	62.50%	77.02%
Consumer Price Index	2.68%	21.20%	.n/a

A FROM JANUARY 1, 1988

EXPLANATION OF TERMS

UNDERSTANDING PERFORMANCE

YIELD illustrates the income earned by an investment in a fund over a recent period. 30-day yields are usually used for bond funds. Yields change daily, reflecting changes in interest rates.

TOTAL RETURN reflects both the reinvestment of income and capital gain distributions, and any change in a fund's share price.

(checkmark)

TOTAL RETURN is the change in value of an investment in the fund over a given period, assuming reinvestment of any dividends and capital gains. A CUMULATIVE TOTAL RETURN reflects actual performance over a stated period of time. An AVERAGE ANNUAL TOTAL RETURN is a hypothetical rate of return that, if achieved annually, would have produced the same cumulative total return if performance had been constant over the entire period. Average annual total returns smooth out variations in performance; they are not the same as actual year-by-year results.

YIELD refers to the income generated by an investment in the fund over a given period of time, expressed as an annual percentage rate. A TAX-EQUIVALENT YIELD shows what an investor would have to earn before taxes to equal a tax-free yield. Yields are calculated according to a standard that is required for all stock and bond funds. Because this differs from other accounting methods, the quoted yield may not equal the income actually paid to shareholders.

THE CONSUMER PRICE INDEX is a widely recognized measure of inflation calculated by the U.S. government.

30-DAY YIELDS

Percent
age %

Row: 1, Col: 1, Value: 6.619999999999999
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Row: 2, Col: 1, Value: 6.55
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Row: 3, Col: 1, Value: 6.51
Row: 3, Col: 2, Value: 6.22
Row: 4, Col: 1, Value: 6.42
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Row: 5, Col: 2, Value: 6.2
Row: 6, Col: 1, Value: 6.52
Row: 6, Col: 2, Value: 6.17
Row: 7, Col: 1, Value: 6.27
Row: 7, Col: 2, Value: 6.06
Row: 8, Col: 1, Value: 6.4
Row: 8, Col: 2, Value: 6.01
Row: 9, Col: 1, Value: 6.33
Row: 9, Col: 2, Value: 5.930000000000001

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Row: 12, Col: 1, Value: 5.9
Row: 12, Col: 2, Value: 5.74
Row: 13, Col: 1, Value: 5.79
Row: 13, Col: 2, Value: 5.63
Row: 14, Col: 1, Value: 6.02
Row: 14, Col: 2, Value: 5.64
Row: 15, Col: 1, Value: 6.04
Row: 15, Col: 2, Value: 5.81
Row: 16, Col: 1, Value: 6.09
Row: 16, Col: 2, Value: 5.69
Row: 17, Col: 1, Value: 5.98
Row: 17, Col: 2, Value: 5.75
Row: 18, Col: 1, Value: 5.79
Row: 18, Col: 2, Value: 5.53
Row: 19, Col: 1, Value: 5.45
Row: 19, Col: 2, Value: 5.2
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Row: 20, Col: 2, Value: 5.13
Row: 21, Col: 1, Value: 5.64
Row: 21, Col: 2, Value: 5.21
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Row: 22, Col: 2, Value: 5.44
Row: 23, Col: 1, Value: 5.77
Row: 23, Col: 2, Value: 5.33
Row: 24, Col: 1, Value: 5.79
Row: 24, Col: 2, Value: 5.24
Row: 25, Col: 1, Value: 5.59
Row: 25, Col: 2, Value: 5.14
Row: 26, Col: 1, Value: 5.13
Row: 26, Col: 2, Value: 4.88
Row: 27, Col: 1, Value: 5.13
Row: 27, Col: 2, Value: 4.72
Row: 28, Col: 1, Value: 5.18
Row: 28, Col: 2, Value: 4.78
Row: 29, Col: 1, Value: 5.17
Row: 29, Col: 2, Value: 4.78
Row: 30, Col: 1, Value: 4.95
Row: 30, Col: 2, Value: 4.64
Row: 31, Col: 1, Value: 4.88
Row: 31, Col: 2, Value: 4.649999999999999
Row: 32, Col: 1, Value: 4.89
Row: 32, Col: 2, Value: 4.68
Row: 33, Col: 1, Value: 4.87
Row: 33, Col: 2, Value: 4.51
Row: 34, Col: 1, Value: 4.819999999999999
Row: 34, Col: 2, Value: 4.46
Row: 35, Col: 1, Value: nil
Row: 35, Col: 2, Value: nil
Spartan NJ
High Yield
Competitive
funds average
1992
1991
1993

THE CHART SHOWS THE 30-DAY ANNUALIZED NET YIELDS FOR THE FUND AND ITS COMPETITIVE FUNDS AVERAGE AS OF THE LAST DAY OF EACH MONTH FROM JANUARY 1991 THROUGH OCTOBER 1993.

THE COMPETITIVE FUNDS AVERAGE is the Lipper New Jersey Municipal Debt Funds Average, which currently reflects the performance of over 28 mutual funds with similar objectives. This average, which assumes reinvestment of distributions, is published by Lipper Analytical Services, Inc.

The fund's recent strategies, performance, and holdings are detailed twice a year in financial reports, which are sent to all shareholders. For current performance or a free annual report, call 1-800-544-8888.

TOTAL RETURNS AND YIELDS ARE BASED ON PAST RESULTS AND ARE NOT AN INDICATION OF FUTURE PERFORMANCE.

YOUR ACCOUNT

DOING BUSINESS WITH FIDELITY

Fidelity Investments was established in 1946 to manage one of America's first mutual funds. Today, Fidelity is the largest mutual fund company in the country, and is known as an innovative provider of high-quality financial services to individuals and institutions.

In addition to its mutual fund business, the company operates one of America's leading discount brokerage firms, Fidelity Brokerage Services, Inc. (FBSI). Fidelity is also a leader in providing tax-sheltered retirement plans for individuals investing on their own or through their employer.

Fidelity is committed to providing investors with practical information to make investment decisions. Based in Boston, Fidelity provides customers with complete service 24 hours a day, 365 days a year, through a network of telephone service centers around the country.

To reach Fidelity for general information, call these numbers:

- For mutual funds, 1-800-544-8888
- For brokerage, 1-800-544-7272

If you would prefer to speak with a representative in person, Fidelity has over 75 walk-in Investor Centers across the country.

TYPES OF ACCOUNTS

You may set up an account directly in the fund or, if you own or intend to purchase individual securities as part of your total investment portfolio, you may consider investing in the fund through a brokerage account.

If you are investing through FBSI or another financial institution or investment professional, refer to its program materials for any special provisions regarding your investment in the fund.

The different ways to set up (register) your account with Fidelity are listed below.

WAYS TO SET UP YOUR ACCOUNT

INDIVIDUAL OR JOINT TENANTS

FOR YOUR GENERAL INVESTMENT NEEDS

Individual accounts are owned by one person. Joint accounts can have two or more owners (tenants).

GIFTS OR TRANSFERS TO A MINOR (UGMA, UTMA)

TO INVEST FOR A CHILD'S EDUCATION OR OTHER FUTURE NEEDS

These custodial accounts provide a way to give money to a child and obtain tax benefits. An individual can give up to $10,000 a year per child without paying federal gift tax. Depending on state laws, you can set up a custodial account under the Uniform Gifts to Minors Act (UGMA) or the Uniform Transfers to Minors Act (UTMA).

TRUST

FOR MONEY BEING INVESTED BY A TRUST

The trust must be established before an account can be opened.

BUSINESS OR ORGANIZATION

FOR INVESTMENT NEEDS OF CORPORATIONS, ASSOCIATIONS, PARTNERSHIPS, OR OTHER GROUPS

Requires a special application.

HOW TO BUY SHARES

THE FUND'S SHARE PRICE, called net asset value (NAV), is calculated every business day. The fund's shares are sold without a sales charge.

Shares are purchased at the next share price calculated after your investment is received and accepted. Share price is normally calculated at 4 p.m. Eastern time.

IF YOU ARE NEW TO FIDELITY, complete and sign an account application and mail it along with your check. You may also open your account in person or by wire as described on page 11. If there is no application accompanying this prospectus, call 1-800-544-8888.

IF YOU ALREADY HAVE MONEY INVESTED IN A FIDELITY FUND, you can:

- Mail in an application with a check, or
- Open your account by exchanging from another Fidelity fund.

If you buy shares by check or Fidelity Money Line(Registered trademark), and then sell those shares by any method other than by exchange to another Fidelity fund, the payment may be delayed for up to seven business days to ensure that your previous investment has cleared.

MINIMUM INVESTMENTS

TO OPEN AN ACCOUNT $10,000

TO ADD TO AN ACCOUNT $1,000

Through automatic investment plans $500

MINIMUM BALANCE $5,000

UNDERSTANDING THE SPARTAN APPROACH(Registered trademark)

Fidelity's Spartan Approach is based on the principle that lower fund expenses can increase returns. The Spartan funds keep expenses low in two ways. First, higher

investment minimums reduce the effect of a fund's fixed costs, many of which are paid on a per-account basis. Second, unlike most mutual funds that include transaction costs as part of overall fund expenses, Spartan shareholders pay directly for the transactions they make.
(checkmark)

	TO OPEN AN ACCOUNT	TO ADD TO AN ACCOUNT
PHONE 1-800-544-7777	(bullet) Exchange from another Fidelity fund account with the same registration, including name, address, and taxpayer ID number.	(bullet) Exchange from another Fidelity fund account with the same registration, including name, address, and taxpayer ID number. (bullet) Use Fidelity Money Line to transfer from your bank account. Call before your first use to verify that this service is in place on your account. Maximum Money Line: $50,000.
MAIL	(bullet) Complete and sign the application. Make your check payable to " complete name of fund." Mail to the address indicated on the application.	(bullet) Make your check payable to " complete name of fund ." Indicate your fund account number on your check , mail to the address printed on your account statement. (bullet) Exchange by mail: call 1-800-544-6666 for instructions.
IN PERSON	(bullet) Bring your application and check to a Fidelity Investor Center. Call 1-800-544-9797 for the center nearest you.	(bullet) Bring your check to a Fidelity Investor Center. Call 1-800-544-9797 for the center nearest you.
WIRE	(bullet) There may be a $5.00 fee for each wire purchase. (bullet) Call 1-800-544-7777 to set up your account and to arrange a wire transaction. (bullet) Wire within 24 hours to: Bankers Trust Company, Bank Routing #021001033, Account #00163053. Specify " complete name of fund " and include your new account number and	(bullet) There may be a $5.00 fee for each wire purchase. (bullet) Wire to: Bankers Trust Company, Bank Routing #021001033, Account #00163053. Specify " complete name of fund " and include your account number and your name.

your name.

</TABLE>

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AUTOMATICALLY	(bullet) Not available .	(bullet) Use Fidelity Automatic Account Builder. Sign up for this service when opening your account, or call 1-800-544-6666 to add it.

TDD - SERVICE FOR THE DEAF AND HEARING-IMPAIRED: 1-800-544-0118

</TABLE>

HOW TO SELL SHARES
You can arrange to take money out of your fund account at any time by selling (redeeming) some or all of your shares. Your shares will be sold at the next share price calculated after your order is received and accepted. Share price is normally calculated at 4 p.m. Eastern time.
IF YOU ARE SELLING SOME BUT NOT ALL OF YOUR SHARES, leave at least $5,000 worth of shares in the account to keep it open.
TO SELL SHARES BY BANK WIRE OR FIDELITY MONEY LINE, you will need to sign up for these services in advance.
CERTAIN REQUESTS MUST INCLUDE A SIGNATURE GUARANTEE. It is designed to protect you and Fidelity from fraud. Your request must be made in writing and include a signature guarantee if any of the following situations apply:
(bullet) You wish to redeem more than $100,000 worth of shares,
(bullet) Your account registration has changed within the last 30 days,
(bullet) The check is being mailed to a different address than the one on your account (record address),
(bullet) The check is being made payable to someone other than the account owner, or
(bullet) The redemption proceeds are being transferred to a Fidelity account with a different registration.
You should be able to obtain a signature guarantee from a bank, broker (including Fidelity Investor Centers), dealer, credit union (if authorized under state law), securities exchange or association, clearing agency, or savings association. A notary public cannot provide a signature guarantee.
SELLING SHARES IN WRITING
Write a "letter of instruction" with:
(bullet) Your name,
(bullet) The fund's name,
(bullet) Your fund account number,
(bullet) The dollar amount or number of shares to be redeemed, and
(bullet) Any other applicable requirements listed in the table at right.
Unless otherwise instructed, Fidelity will send a check to the record address. Deliver your letter to a Fidelity Investor Center, or mail it to:
Fidelity Investments
P.O. Box 660602
Dallas, TX 75266-0602
ACCOUNT TYPE SPECIAL REQUIREMENTS

<TABLE>
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<S> <C> <C>
IF YOU SELL SHARES OF THE FUND AFTER HOLDING THEM LESS THAN 180 DAYS, THE FUND WILL DEDUCT A REDEMPTION FEE EQUAL TO .50% OF THE VALUE OF THOSE SHARES. IF YOUR ACCOUNT BALANCE IS LESS THAN $50,000, THERE ARE FEES FOR INDIVIDUAL REDEMPTION TRANSACTIONS: $5.00 FOR EACH EXCHANGE, BANK WIRE, AND ACCOUNT CLOSEOUT.

</TABLE>

<TABLE>
<CAPTION>

PHONE 1-800-544-7777	All account types	(bullet) Maximum check request: $100,000. (bullet) For Money Line transfers to your bank account; minimum: none; maximum: $100,000. (bullet) You may exchange to other Fidelity funds if both accounts are registered with the same name(s), address, and taxpayer ID number.

MAIL OR IN PERSON	Individual, Joint Tenant, Sole Proprietorship, UGMA, UTMA	(bullet) The letter of instruction must be signed by all persons required to sign for transactions, exactly as their names appear on the account.
	Trust	(bullet) The trustee must sign the letter indicating capacity as trustee. If the trustee's name is not in the account registration, provide a copy of the trust document certified within the last 60 days.
	Business or Organization	(bullet) At least one person authorized by corporate resolution to act on the account must sign the letter. (bullet) Include a corporate resolution with corporate seal or a signature guarantee.
	Executor, Administrator, Conservator, Guardian	(bullet) Call 1-800-544-6666 for instructions.
WIRE	All account types	(bullet) You must sign up for the wire feature before using it. To verify that it is in place, call 1-800-544-6666. Minimum wire: $5,000. (bullet) Your wire redemption request must be received by Fidelity before 4 p.m. Eastern time for money to be wired on the next business day.

</TABLE>

<TABLE>
<CAPTION>
<S> <C> <C>
TDD - SERVICE FOR THE DEAF AND HEARING-IMPAIRED: 1-800-544-0118

</TABLE>

INVESTOR SERVICES
Fidelity provides a variety of services to help you manage your account.
INFORMATION SERVICES
FIDELITY'S TELEPHONE REPRESENTATIVES are available 24 hours a day, 365 days a year. Whenever you call, you can speak with someone equipped to provide the information or service you need.
STATEMENTS AND REPORTS that Fidelity sends to you include the following:
(bullet) Confirmation statements (after every transaction, except reinvestments, that affects your account balance or your account registration)
(bullet) Account statements (quarterly)
(bullet) Financial reports (every six months)

24-HOUR SERVICE
ACCOUNT ASSISTANCE
1-800-544-6666
ACCOUNT BALANCES
1-800-544-7544
ACCOUNT TRANSACTIONS
1-800-544-7777
PRODUCT INFORMATION
1-800-544-8888
QUOTES
1-800-544-8544
RETIREMENT ACCOUNT ASSISTANCE
1-800-544-4774
AUTOMATED SERVICE
(checkmark)
To reduce expenses, only one copy of most financial reports will be mailed to your household, even if you have more than one account in the fund. Call 1-800-544-6666 if you need copies of financial reports or historical account information.
TRANSACTION SERVICES
EXCHANGE PRIVILEGE. You may sell your fund shares and buy shares of other Fidelity funds by telephone or in writing. There may be a $5.00 fee for

each exchange out of the fund.
Note that exchanges out of the fund are limited to four per calendar year, and that they may have tax consequences for you. For complete policies and restrictions governing exchanges, including circumstances under which a shareholder's exchange privilege may be suspended or revoked, see page 20 .

SYSTEMATIC WITHDRAWAL PLANS let you set up monthly or quarterly redemptions from your account.

FIDELITY MONEY LINE(Registered trademark) enables you to transfer money by phone between your bank account and your fund account. Most transfers are complete within three business days of your call.

REGULAR INVESTMENT PLANS

One easy way to pursue your financial goals is to invest money regularly. Fidelity offers convenient services that let you transfer money into your fund account, or between fund accounts, automatically. While regular investment plans do not guarantee a profit and will not protect you against loss in a declining market, they can be an excellent way to invest for a home, educational expenses, and other long-term financial goals.

REGULAR INVESTMENT PLANS

<TABLE>
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FIDELITY AUTOMATIC ACCOUNT BUILDERSM TO MOVE MONEY FROM YOUR BANK ACCOUNT TO A FIDELITY FUND		
MINIMUM	FREQUENCY	SETTING UP OR CHANGING
$500	Monthly or quarterly	(bullet) For a new account, complete the appropriate section on the fund application. (bullet) For existing accounts, call 1-800-544-6666 for an application. (bullet) To change the amount or frequency of your investment, call 1-800-544-6666 at least three business days prior to your next scheduled investment date.
DIRECT DEPOSIT TO SEND ALL OR A PORTION OF YOUR PAYCHECK OR GOVERNMENT CHECK TO A FIDELITY FUNDA		
MINIMUM	FREQUENCY	SETTING UP OR CHANGING
$500	Every pay period	(bullet) Check the appropriate box on the fund application, or call 1-800-544-6666 for an authorization form. (bullet) Changes require a new authorization form.
FIDELITY AUTOMATIC EXCHANGE SERVICE TO MOVE MONEY FROM A FIDELITY MONEY MARKET FUND TO ANOTHER FIDELITY FUND		
MINIMUM	FREQUENCY	SETTING UP OR CHANGING
$500	Monthly, bimonthly, quarterly, or annually	(bullet) To establish, call 1-800-544-6666 after both accounts are opened. (bullet) To change the amount or frequency of your investment, call 1-800-544-6666.

</TABLE>

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A BECAUSE ITS SHARE PRICE FLUCTUATES, THE FUND MAY NOT BE AN APPROPRIATE CHOICE FOR DIRECT DEPOSIT OF YOUR ENTIRE CHECK.

</TABLE>

DIVIDENDS, CAPITAL GAINS, AND TAXES

The fund distributes substantially all of its net investment income and capital gains to shareholders each year. Income dividends are declared daily and paid monthly. Capital gains are normally distributed in January and December.

DISTRIBUTION OPTIONS

When you open an account, specify on your application how you want to receive your distributions. If the option you prefer is not listed on the application, call 1-800-544-6666 for instructions. The fund offers four options:

1. REINVESTMENT OPTION. Your dividend and capital gain distributions will be automatically reinvested in additional shares of the fund. If you do not indicate a choice on your application, you will be assigned this option.
2. INCOME-EARNED OPTION. Your capital gain distributions will be automatically reinvested, but you will be sent a check for each dividend

distribution.
3. CASH OPTION. You will be sent a check for your dividend and capital gain distributions.
4. DIRECTED DIVIDENDS(Registered trademark) OPTION. Your dividend and capital gain distributions will be automatically invested in another identically registered Fidelity fund.
Dividends will be reinvested at the fund's NAV on the last day of the month. Capital gain distributions will be reinvested at the NAV as of the date the fund deducts the distribution from its share price. The mailing of distribution checks will begin within seven days.
TAXES
UNDERSTANDING
DISTRIBUTIONS
As a fund shareholder, you are entitled to your share of the fund's net income and gains on its investments. The fund passes its earnings along to its investors as DISTRIBUTIONS.
The fund earns interest from its investments. These are passed along as DIVIDEND DISTRIBUTIONS. The fund may realize capital gains if it sells securities for a higher price than it paid for them. These are passed along as CAPITAL GAIN DISTRIBUTIONS.
(checkmark)
As with any investment, you should consider how an investment in a tax-free fund could affect you. Below are some of the fund's tax implications.
TAXES ON DISTRIBUTIONS. Interest income that the fund earns is distributed to shareholders as income dividends. Interest that is federally tax-free remains tax-free when it is distributed.
However, gain on the sale of tax-free bonds results in taxable distributions. Short-term capital gains and a portion of the gain on bonds purchased at a discount a re taxed as dividends. Long-term capital gain distributions are taxed as long-term capital gains. These distributions are taxable when they are paid, whether you take them in cash or reinvest them. However, distributions declared in December and paid in January are taxable as if they were paid on December 31. Fidelity will send you and the IRS a statement showing the tax status of the distributions paid to you in the previous year.
The interest from some municipal securities is subject to the federal alternative minimum tax. The fund may invest up to 100% of its assets in these securities. Individuals who are subject to the tax must report this interest on their tax returns.
To the extent the fund's income and capital gain distributions are derived from state tax-free investments, they will be free from the New Jersey Gross Income Tax.
During fiscal 1993, 100 % of the fund's income dividends was free from federal income tax, and 100 % was free from the New Jersey Gross Income Tax. 16 % of the fund's income dividends was subject to the federal alternative minimum tax.
TAXES ON TRANSACTIONS. Your redemptions - including exchanges to other Fidelity funds - are subject to capital gains tax. A capital gain or loss is the difference between the cost of your shares and the price you receive when you sell them.
Whenever you sell shares of the fund, Fidelity will send you a confirmation statement showing how many shares you sold and at what price. You will also receive a consolidated transaction statement every January. However, it is up to you or your tax preparer to determine whether this sale resulted in a capital gain and, if so, the amount of tax to be paid. Be sure to keep your regular account statements; the information they contain will be essential in calculating the amount of your capital gains.
"BUYING A DIVIDEND." If you buy shares just before the fund deducts a capital gain distribution from its NAV, you will pay the full price for the shares and then receive a portion of the price back in the form of a taxable distribution.
SHAREHOLDER AND ACCOUNT POLICIES

TRANSACTION DETAILS
THE FUND IS OPEN FOR BUSINESS each day the New York Stock Exchange (NYSE) is open. Fidelity normally calculates the fund's net asset value as of the close of business of the NYSE, normally 4 p.m. Eastern time.
THE FUND'S NAV is the value of a single share. The NAV is computed by adding up the value of the fund's investments, cash, and other assets, subtracting its liabilities, and then dividing the result by the number of shares outstanding.
The fund's assets are valued primarily on the basis of market quotations, if available. Since market quotations are often unavailable, assets are usually valued by a method that the Board of Trustees believes accurately reflects fair value.

THE FUND'S OFFERING PRICE (price to buy one share) and REDEMPTION PRICE (price to sell one share) are its NAV.

WHEN YOU SIGN YOUR ACCOUNT APPLICATION, you will be asked to certify that your Social Security or taxpayer identification number is correct and that you are not subject to 31% backup withholding for failing to report income to the IRS. If you violate IRS regulations, the IRS can require the fund to withhold 31% of your taxable distributions and redemptions.

YOU MAY INITIATE MANY TRANSACTIONS BY TELEPHONE. Note that Fidelity will not be responsible for any losses resulting from unauthorized transactions if it follows reasonable procedures designed to verify the identity of the caller. Fidelity will request personalized security codes or other information, and may also record calls. You should verify the accuracy of your confirmation statements immediately after you receive them. If you do not want the ability to redeem and exchange by telephone, call Fidelity for instructions.

IF YOU ARE UNABLE TO REACH FIDELITY BY PHONE (for example, during periods of unusual market activity), consider placing your order by mail or by visiting a Fidelity Investor Center.

THE FUND RESERVES THE RIGHT TO SUSPEND THE OFFERING OF SHARES for a period of time. The fund also reserves the right to reject any specific purchase order, including certain purchases by exchange. See "Exchange Restrictions" on page 20. Purchase orders may be refused if, in FMR's opinion, they are of a size that would disrupt management of the fund.

WHEN YOU PLACE AN ORDER TO BUY SHARES, your order will be processed at the next offering price calculated after your order is received and accepted. Note the following:

(bullet) All of your purchases must be made in U.S. dollars and checks must be drawn on U.S. banks.

(bullet) Fidelity does not accept cash.

(bullet) When making a purchase with more than one check, each check must have a value of at least $50.

(bullet) The fund reserves the right to limit the number of checks processed at one time.

(bullet) If your check does not clear, your purchase will be cancelled and you could be liable for any losses or fees the fund or its transfer agent has incurred.

(bullet) You begin to earn dividends as of the first business day following the day of your purchase.

TO AVOID THE COLLECTION PERIOD associated with check and Money Line purchases, consider buying shares by bank wire, U.S. Postal money order, U.S. Treasury check, Federal Reserve check, or direct deposit instead.

YOU MAY BUY OR SELL SHARES OF THE FUND THROUGH A BROKER, who may charge you a fee for this service. If you invest through a broker or other institution, read its program materials for any additional service features or fees that may apply.

CERTAIN FINANCIAL INSTITUTIONS that have entered into sales agreements with Fidelity Distributors Corporation (FDC) may enter confirmed purchase orders on behalf of customers by phone, with payment to follow no later than the time when the fund is priced on the following business day. If payment is not received by that time, the financial institution could be held liable for resulting fees or losses.

WHEN YOU PLACE AN ORDER TO SELL SHARES, your shares will be sold at the next NAV calculated after your request is received and accepted. Note the following:

(bullet) Normally, redemption proceeds will be mailed to you on the next business day, but if making immediate payment could adversely affect the fund, it may take up to seven days to pay you.

(bullet) Shares will earn dividends through the date of redemption; however, shares redeemed on a Friday or prior to a holiday will continue to earn dividends until the next business day.

(bullet) Fidelity Money Line redemptions generally will be credited to your bank account on the second or third business day after your phone call.

(bullet) The fund may hold payment on redemptions until it is reasonably satisfied that investments made by check or Fidelity Money Line have been collected, which can take up to seven business days.

(bullet) Redemptions may be suspended or payment dates postponed when the NYSE is closed (other than weekends or holidays), when trading on the NYSE is restricted, or as permitted by the SEC.

THE REDEMPTION FEE, if applicable, will be deducted from the amount of your redemption. This fee is paid to the fund rather than FMR, and it does not apply to shares that were acquired through reinvestment of distributions. If shares you are redeeming were not all held for the same length of time, those shares you held longest will be redeemed first for purposes of determining whether the fee applies.

THE FEES FOR INDIVIDUAL TRANSACTIONS are waived if your account balance at the time of the transaction is $50,000 or more. Otherwise, you should note the following:

(bullet) The $5.00 exchange fee will be deducted from the amount of your exchange.

(bullet) The $5.00 wire fee will be deducted from the amount of your wire.

(bullet) The $5.00 account closeout fee does not apply to exchanges or wires.

IF YOUR ACCOUNT BALANCE FALLS BELOW $5,000, you will be given 30 days' notice to reestablish the minimum balance. If you do not increase your

balance, Fidelity reserves the right to close your account and send the proceeds to you. Your shares will be redeemed at the NAV on the day your account is closed and the $5.00 account closeout fee will be charged.
FIDELITY MAY CHARGE A FEE FOR SPECIAL SERVICES, such as providing historical account documents, that are beyond the normal scope of its services.

EXCHANGE RESTRICTIONS

As a shareholder, you have the privilege of exchanging shares of the fund for shares of other Fidelity funds. However, you should note the following:

(bullet) The fund you are exchanging into must be registered for sale in your state.

(bullet) You may only exchange between accounts that are registered in the same name, address, and taxpayer identification number.

(bullet) Before exchanging into a fund, read its prospectus.

(bullet) If you exchange into a fund with a sales charge, you pay the percentage-point difference between that fund's sales charge and any sales charge you have previously paid in connection with the shares you are exchanging. For example, if you had already paid a sales charge of 2% on your shares and you exchange them into a fund with a 3% sales charge, you would pay an additional 1% sales charge.

(bullet) Exchanges may have tax consequences for you.

(bullet) Because excessive trading can hurt fund performance and shareholders, the fund reserves the right to temporarily or permanently terminate the exchange privilege of any investor who makes more than four exchanges out of the fund per calendar year. Accounts under common ownership or control, including accounts with the same taxpayer identification number, will be counted together for purposes of the four exchange limit.

(bullet) The fund reserves the right to refuse exchange purchases by any person or group if, in FMR's judgment, the fund would be unable to invest the money effectively in accordance with its investment objective and policies, or would otherwise potentially be adversely affected.

(bullet) Your exchanges may be restricted or refused if the fund receives or anticipates simultaneous orders affecting significant portions of the fund's assets. In particular, a pattern of exchanges that coincide with a "market timing" strategy may be disruptive to the fund.

Although the fund will attempt to give you prior notice whenever it is reasonably able to do so, it may impose these restrictions at any time. The fund reserves the right to terminate or modify the exchange privilege in the future.

OTHER FUNDS MAY HAVE DIFFERENT EXCHANGE RESTRICTIONS, and may impose administrative fees of up to $7.50 and redemption fees of up to 1.50% on exchanges. Check each fund's prospectus for details.

THE FUND IN DETAIL

CHARTER

SPARTAN NEW JERSEY MUNICIPAL HIGH YIELD IS A MUTUAL FUND: an investment that pools shareholders' money and invests it toward a specified goal. In technical terms, the fund is currently a non-diversified fund of Fidelity Court Street Trust, an open-end management investment company organized as a Massachusetts business trust on April 21, 1977.

THE FUND IS GOVERNED BY A BOARD OF TRUSTEES, which is responsible for protecting the interests of shareholders. The trustees are experienced executives who meet throughout the year to oversee the fund's activities, review contractual arrangements with companies that provide services to the fund, and review performance. The majority of trustees are not otherwise affiliated with Fidelity.

THE FUND MAY HOLD SPECIAL MEETINGS AND MAIL PROXY MATERIALS. These meetings may be called to elect or remove trustees, change fundamental policies, approve a management contract, or for other purposes. Shareholders not attending these meetings are encouraged to vote by proxy. Fidelity will mail proxy materials in advance, including a voting card and information about the proposals to be voted on. You are entitled to one vote for each share you own.

FMR AND ITS AFFILIATES

The fund is managed by FMR, which chooses the fund's investments and handles its business affairs.

David Murphy is manager of Spartan New Jersey Municipal High Yield, which he has managed since April 1991. Mr. Murphy also manages Spartan New York Intermediate Municipal, Limited Term Municipals, Spartan Short-Intermediate Municipal, Spartan California Intermediate Municipal, New York Tax-Free Insured, and Spartan Intermediate Municipal. Before joining Fidelity in 1989, he managed municipal bond funds at Scudder, Stevens & Clark.

FDC distributes and markets Fidelity's funds and services. Fidelity Service Co. (FSC) performs transfer agent servicing functions for the fund.

FMR Corp. is the parent company of these organizations. Through ownership of voting common stock, Edward C. Johnson 3d (President and a trustee of the trust), Johnson family members, and various trusts for the benefit of the Johnson family form a controlling group with respect to FMR Corp.

FIDELITY FACTS

Fidelity offers the broadest selection of mutual funds

in the world.
(bullet) Number of Fidelity mutual
funds: over 200
(bullet) Assets in Fidelity mutual
funds: over $ 200 billion
(bullet) Number of shareholder
accounts: over 14 million
(bullet) Number of investment
analysts and portfolio
managers: over 200
(checkmark)
United Missouri Bank, N.A., is the fund's transfer agent, although it employs FSC to perform these functions for the fund. It is located at 1010 Grand Avenue, Kansas City, Missouri.
To carry out the fund's transactions, FMR may use its broker-dealer affiliates and other firms that sell fund shares, provided that the fund receives services and commission rates comparable to those of other broker-dealers.
BREAKDOWN OF EXPENSES
Like all mutual funds, the fund pays fees related to its daily operations. Expenses paid out of the fund's assets are reflected in its share price or dividends; they are neither billed directly to shareholders nor deducted from shareholder accounts.
The fund pays a MANAGEMENT FEE to FMR for managing its investments and business affairs.
FMR may, from time to time, agree to reimburse the fund for management fees and other expenses above a specified limit. FMR retains the ability to be repaid by the fund if expenses fall below the specified limit prior to the end of the fiscal year. Reimbursement arrangements, which may be terminated at any time without notice, can decrease the fund's expenses and boost its performance.
MANAGEMENT FEE
The management fee is calculated and paid to FMR every month. The fund pays the fee at the annual rate of .55 % of its average net assets.
FSC performs many transaction and accounting functions for the fund. These services include processing shareholder transactions and calculating the fund's share price. FMR, and not the fund, pays for these services.
To offset shareholder service costs, FMR or its affiliates also collect the funds' $5.00 exchange fee, $5.00 account closeout fee, and $5.00 fee for wire purchases and redemptions. For fiscal 1993, these fees amounted to $ 7,250, $1,685, and $810 , respectively.
The fund has adopted a Distribution and Service Plan. This plan recognizes that FMR may use its resources, including management fees, to pay expenses associated with the sale of fund shares. This may include payments to third parties, such as banks or broker-dealers, that provide shareholder support services or engage in the sale of the fund's shares. It is important to note, however, that the fund does not pay FMR any separate fees for this service.
The fund's portfolio turnover rate for fiscal 1993 was 25 %. This rate varies from year to year.
INVESTMENT PRINCIPLES
THE FUND SEEKS HIGH CURRENT INCOME that is exempt from federal income tax and the New Jersey Gross Income Tax. FMR normally invests so that at least 80% of the fund's income is free from both federal income tax and the New Jersey Gross Income Tax.
If you are subject to the federal alternative minimum tax, you should note that the fund may invest all of its assets in municipal securities issued to finance private activities. The interest from these investments is a tax-preference item for purposes of the tax.
The fund's level of risk and potential reward depends on the quality and maturity of its investments. The fund invests primarily in municipal bonds judged by FMR to be of investment-grade quality, although it may also invest in lower-quality bonds. The fund normally invests in long-term bonds, generally maintaining a dollar-weighted average maturity of 15 years longer, but it may invest in obligations of any maturity. Typically, lower-quality, longer-term investments carry more risk and higher yield potential.
The fund's yield and share price will change based on changes in interest rates. In general, bond prices rise when interest rates fall, and vice versa. FMR may use various investment techniques to hedge the fund's risks, but there is no guarantee that these strategies will work as intended. When you sell your shares, they may be worth more or less than what you paid for them.
The fund's performance is closely tied to the economic and political conditions within the state of New Jersey. The state's economy has been sluggish in the last several years. Also, New Jersey relies heavily upon federal assistance, receiving more aid than most states.
FMR normally invests the fund's assets according to its investment strategy and expects to invest only in federally and state tax-free obligations. When FMR considers it appropriate, however, it may temporarily invest substantially in cash that is not earning interest, short-term municipal obligations, or money market instruments, or it may invest more than normally permitted in taxable obligations.
SECURITIES AND INVESTMENT PRACTICES
The following pages contain more detailed information about types of

instruments in which the fund may invest, and strategies FMR may employ in pursuit of the fund's investment objective. A summary of risks and restrictions associated with these instrument types and investment practices is included as well. Policies and limitations are considered at the time of purchase; the sale of instruments is not required in the event of a subsequent change in circumstances.

FMR may not buy all of these instruments or use all of these techniques to the full extent permitted unless it believes that doing so will help the fund achieve its goal. As a shareholder, you will receive financial reports every six months detailing fund holdings and describing recent investment activities.

DEBT SECURITIES. Bonds and other debt instruments are used by issuers to borrow money from investors. The issuer pays the investor a fixed or variable rate of interest, and must repay the amount borrowed at maturity. Some debt securities, such as zero coupon bonds, do not pay current interest, but are purchased at a discount from their face values. Debt securities have varying degrees of quality and varying levels of sensitivity to changes in interest rates. Longer-term bonds are generally more sensitive to interest rate changes than short-term bonds.

Lower-quality debt securities have speculative characteristics, and involve greater risk of default or price changes due to changes in the issuer's creditworthiness. The market prices of these securities may fluctuate more than higher-quality securities and may decline significantly in periods of general or regional economic difficulty.

The table below provides a summary of ratings assigned to debt holdings (not including money market instruments) in the fund's portfolio. These figures are dollar-weighted averages of month-end portfolio holdings during fiscal 1993, and are presented as a percentage of total investments. These percentages are historical and do not necessarily indicate the fund's current or future debt holdings.

FISCAL 1993 DEBT HOLDINGS, BY RATING

	MOODY'S INVESTORS SERVICE, INC.		STANDARD & POOR'S CORPORATION	
	Rating	Average A	Rating	AverageA
INVESTMENT GRADE				
Highest quality	Aaa		AAA	
High quality	Aa	59.5 %	AA	74.4 %
Upper-medium grade	A		A	
Medium grade	Baa	11.1 %	BBB	7.3 %
LOWER QUALITY				
Moderately speculative	Ba	0.0 %	BB	0.0 %
Speculative	B	0.0 %	B	0.0 %
Highly speculative	Caa	0.0 %	CCC	0.0 %
Poor quality	Ca		CC	
Lowest quality, no interest	C		C	
In default, in arrears	--		D	0.0 %
		70.6 %		81.7 %

A THE DOLLAR-WEIGHTED AVERAGE OF DEBT SECURITIES NOT RATED BY MOODY'S OR S&P AMOUNTED TO 7.2 %. THIS MAY INCLUDE SECURITIES RATED BY OTHER NATIONALLY RECOGNIZED RATING SERVICES, AS WELL AS UNRATED SECURITIES. UNRATED SECURITIES ARE NOT NECESSARILY LOWER-QUALITY SECURITIES. REFER TO THE FUND'S STATEMENT OF ADDITIONAL INFORMATION FOR A MORE COMPLETE DISCUSSION OF THESE RATINGS.

0.0%
0.0%

RESTRICTIONS: The fund does not currently intend to invest more than one-third of its assets in bonds of equivalent quality to Ba or lower by Moody's and BB or lower by S&P , and does not currently intend to invest in bonds whose quality is judged by FMR to be equivalent to bonds rated lower than B. The fund does not currently intend to invest in bonds rated below Caa by Moody's or CCC by S&P.

MUNICIPAL SECURITIES are issued to raise money for a variety of public purposes, including general financing for state and local governments, or financing for specific projects or public facilities. Municipal securities may be issued in anticipation of future revenues, and may be backed by the full taxing power of a municipality, the revenues from a specific project, or the credit of a private organization. A security's credit may be enhanced by a bank, insurance company, or other financial institution. The fund may own a municipal security directly or may own one through a participation interest.

STATE TAX-FREE SECURITIES include obligations issued by the state of New Jersey or its counties, municipalities, authorities, or other subdivisions. The ability of issuers to repay their debt can be affected by many factors that impact the economic vitality of either the state or a region within the state.

Other state tax-free securities include general obligations of U.S. territories and possessions such as Guam, the Virgin Islands, and Puerto Rico, and their political subdivisions and public corporations. The economy of Puerto Rico is closely linked to the U.S. economy, and will depend on the strength of the U.S. dollar, interest rates, the price stability of oil imports, and the continued existence of favorable tax incentives. Recent legislation reduced these incentives, but it is impossible to predict what impact the changes will have.

MUNICIPAL LEASE OBLIGATIONS are used by municipalities to acquire land, equipment, or facilities. If the municipality stops making payments or transfers its obligations to a private entity, the obligation could lose value or become taxable.

PRIVATE ENTITIES may be involved in some municipal securities. For example, industrial revenue bonds are backed by private entities, and resource recovery bonds often involve private corporations. The viability of a project or tax incentives could affect the value and credit quality of these securities.

ASSET-BACKED SECURITIES may include pools of purchase contracts, financing leases, or sales agreements entered into by municipalities. These securities usually rely on continued payments by a municipality, and may also be subject to prepayment risk.

VARIABLE- AND FLOATING-RATE INSTRUMENTS may have interest rates that move in tandem with a benchmark, helping to stabilize their prices. Inverse floaters have interest rates that move in the opposite direction from the benchmark, making the instrument's market value more volatile.

PUT FEATURES entitle the holder to put (sell back) an instrument to the issuer or a financial intermediary. In exchange for this benefit, the fund may pay periodic fees or accept a lower interest rate. Demand features and standby commitments are types of put features.

ADJUSTING INVESTMENT EXPOSURE.

The fund can use various techniques to increase or decrease its exposure to changing security prices, interest rates, or other factors that affect security values. These techniques may involve derivative transactions such as buying and selling options and futures contracts and purchasing indexed securities.

FMR can use these practices to adjust the risk and return characteristics of the fund's portfolio of investments. If FMR judges market conditions incorrectly or employs a strategy that does not correlate well with the fund's investments, these techniques could result in a loss, regardless of whether the intent was to reduce risk or increase return. These techniques may increase the volatility of the fund and may involve a small investment of cash relative to the magnitude of the risk assumed. In addition, these techniques could result in a loss if the counterparty to the transaction does not perform as promised.

WHEN-ISSUED AND DELAYED-DELIVERY TRANSACTIONS are trading practices in which payment and delivery for the securities take place at a future date. The market value of a security could change during this period, which could affect the fund's yield.

ILLIQUID AND RESTRICTED SECURITIES. Some investments may be determined by FMR, under the supervision of the Board of Trustees, to be illiquid, which means that they may be difficult to sell promptly at an acceptable price. The sale of other securities may be subject to legal restrictions. Difficulty in selling securities may result in a loss or may be costly to the fund.

RESTRICTIONS: The fund may not purchase a security if, as a result, more than 10% of its assets would be invested in illiquid securities.

DIVERSIFICATION. Diversifying a fund's investment portfolio can reduce the risks of investing. This may include limiting the amount of money invested in any one issuer or, on a broader scale, in any one industry or type of project. Economic, business, or political changes can affect all securities of a similar type. A fund that is not diversified may be more sensitive to these changes, and also to changes in the market value of a single issuer or industry.

RESTRICTIONS: The fund is considered non-diversified. To meet quarterly federal tax requirements, however, the fund generally does not invest more than 25% of its total assets in any one issuer and, w ith respect to 50% of total assets, does not invest more than 5% of its total assets in any one issuer. These limitations do not apply to U.S. government securities. The fund may invest more than 25% of its total assets in tax-free securities that finance similar types of projects.

BORROWING. The fund may borrow from banks or from other funds advised by FMR, or through reverse repurchase agreements. If the fund borrows money, its share price may be subject to greater fluctuation until the borrowing is paid off. If the fund makes additional investments while borrowings are outstanding, this may be considered a form of leverage.

RESTRICTIONS: The fund may borrow only for temporary or emergency purposes, but not in an amount exceeding 33% of its total assets.

FUNDAMENTAL INVESTMENT POLICIES AND RESTRICTIONS

Some of the policies and restrictions discussed on the preceding pages are fundamental, that is, subject to change only by shareholder approval. The following paragraph restates all those that are fundamental. All policies stated throughout this prospectus, other than those identified in the following paragraph, can be changed without shareholder approval.

The fund seeks a high level of current income exempt from federal income tax and the New Jersey Gross Income Tax. Under normal conditions, the fund will invest so that at least 80% of its income is exempt from both federal income tax and New Jersey Gross Income Tax. The fund may borrow only for temporary or emergency purposes, but not in an amount exceeding 33% of its total assets.

This prospectus is printed on recycled paper using soy-based inks.

SPARTAN(registered trademark) NEW JERSEY MUNICIPAL HIGH YIELD PORTFOLIO
A FUND OF FIDELITY COURT STREET TRUST
STATEMENT OF ADDITIONAL INFORMATION
JANUARY 14 , 1994

This Statement is not a prospectus but should be read in conjunction with the fund's current Prospectus (dated January 14 , 1994). Please retain this document for future reference. The Annual Report for the fiscal year ended November 30, 1993 is incorporated herein by reference. To obtain an additional copy of the Prospectus or the Annual Report, please call Fidelity Distributors Corporation at 1-800-544-8888.

TABLE OF CONTENTS PAGE

INVESTMENT ADVISER
Fidelity Management & Research Company (FMR)
DISTRIBUTOR
Fidelity Distributors Corporation (FDC)
TRANSFER AGENT
United Missouri Bank, N.A. (United Missouri) and Fidelity Service Co. (FSC)

NJT-ptb-194

INVESTMENT POLICIES AND LIMITATIONS

The following policies and limitations supplement those set forth in the Prospectus. Unless otherwise noted, whenever an investment policy or limitation states a maximum percentage of the fund's assets that may be invested in any security or other asset, or sets forth a policy regarding quality standards, such standard or percentage limitation will be determined immediately after and as a result of the fund's acquisition of such security or other asset. Accordingly, any subsequent change in values, net assets, or other circumstances will not be considered when determining whether the investment complies with the fund's investment policies and limitations.

The fund's fundamental investment policies and limitations cannot be changed without approval by a "majority of the outstanding voting securities" (as defined in the Investment Company Act of 1940) of the fund. However, except for the fundamental investment limitations set forth below, the investment policies and limitations described in this Statement of Additional Information are not fundamental and may be changed without shareholder approval. THE FOLLOWING ARE THE FUND'S FUNDAMENTAL INVESTMENT LIMITATIONS SET FORTH IN THEIR ENTIRETY. THE FUND MAY NOT:

(1) issue bonds or any other class of securities preferred over shares of the fund in respect of the fund's assets or earnings; provided that Fidelity Court Street Trust may issue additional series of shares in accordance with its Declaration of Trust;

(2) sell securities short, unless it owns, or by virtue of ownership of other securities has the right to obtain, securities equivalent in kind and amount to the securities sold short, provided that transactions in futures contracts are not deemed to constitute short sales;

(3) purchase securities on margin, except that the fund may obtain such short-term credits as are necessary for the clearance of transactions, and provided that the fund may make initial and variation margin payments in connection with transactions in futures contracts and options on futures

contracts;
(4) borrow money, except that the fund may borrow money for temporary or emergency purposes (not for leveraging or investment) in an amount not exceeding 33 1/3% of the value of its total assets (less liabilities other than borrowings). Any borrowings that come to exceed 33 1/3% of the value of the fund's total assets by reason of a decline in net assets will be reduced within three days to the extent necessary to comply with the 33 1/3% limitation;
(5) underwrite securities issued by others (except to the extent that the fund may be deemed to be an underwriter within the meaning of the Securities Act of 1933 in the disposition of restricted securities);
(6) purchase the securities of any issuer (other than securities issued or guaranteed by the U.S. government or any of its agencies, instrumentalities, territories or possessions, or issued or guaranteed by a state government or political subdivision thereof) if, as a result, more than 25% of the value of its total assets would be invested in securities of companies having their principal business activities in the same industry;
(7) purchase or sell real estate unless acquired as a result of ownership of securities or other instruments (but this shall not prevent the fund from investing in securities or other instruments backed by real estate or securities of companies engaged in the real estate business);
(8) purchase or sell physical commodities unless acquired as a result of ownership of securities (but this shall not prevent the fund from purchasing or selling futures contracts); or
(9) lend any security or make any other loan if, as a result, more than 33 1/3% of its total assets would be lent to other parties (but this limit does not apply to purchases of debt securities or to repurchase agreements).
Investment limitation (4) is construed in conformity with the 1940 Act, and, accordingly, "three days" means three days exclusive of Sundays and holidays.
THE FOLLOWING INVESTMENT LIMITATIONS ARE NOT FUNDAMENTAL AND MAY BE CHANGED WITHOUT SHAREHOLDER APPROVAL.
(i) To meet federal tax requirements for qualification as a "regulated investment company," the fund limits its investments so that at the close of each quarter of its taxable year: (a) with regard to at least 50% of total assets, no more than 5% of total assets are invested in the securities of a single issuer, and (b) no more than 25% of total assets are invested in the securities of a single issuer. Limitations (a) and (b) do not apply to "government securities" as defined for federal tax purposes.
(ii) The fund does not currently intend to sell securities short.
(iii) The fund may borrow money only (a) from a bank or from a registered investment company or portfolio for which FMR or an affiliate serves as investment adviser or (b) by engaging in reverse repurchase agreements with any party (reverse repurchase agreements are treated as borrowings for purposes of fundamental investment limitation (4)). The fund will not purchase any security while borrowings representing more than 5% of its total assets are outstanding. The fund will not borrow from other funds advised by FMR or its affiliates if total outstanding borrowings immediately after such borrowing would exceed 15% of the fund's total assets.
(iv) The fund does not currently intend to purchase any security if, as a result, more than 10% of its net assets would be invested in securities that are deemed to be illiquid because they are subject to legal or contractual restrictions on resale or because they cannot be sold or disposed of in the ordinary course of business at approximately the prices at which they are valued.
(v) The fund does not currently intend to invest more than 25% of its total assets in industrial revenue bonds related to a single industry.
(vi) The fund does not currently intend to engage in repurchase agreements or make loans, but this limitation does not apply to purchases of debt securities.
(vii) The fund does not currently intend to (a) purchase securities of other investment companies, except in the open market where no commission except the ordinary broker's commission is paid, or (b) purchase or retain securities issued by other open-end investment companies. Limitations (a) and (b) do not apply to securities received as dividends, through offers of exchange, or as a result of a reorganization, consolidation, or merger.
For purposes of limitations (6) and (i), FMR identifies the issuer of a security depending on its terms and conditions. In identifying the issuer, FMR will consider the entity or entities responsible for payment of interest and repayment of principal and the source of such payments; the way in which assets and revenues of an issuing political subdivision are separated from those of other political entities; and whether a governmental body is guaranteeing the security.
For the fund's limitations on futures and options transactions, see the section entitled "Limitations on Futures and Options Transactions" beginning on page 6 .
AFFILIATED BANK TRANSACTIONS. Pursuant to exemptive orders issued by the Securities and Exchange Commission (SEC), the fund may engage in transactions with banks that are, or may be considered to be, "affiliated persons" of the fund under the Investment Company Act of 1940. Such transactions may be entered into only pursuant to procedures established and periodically reviewed by the Board of Trustees. These transactions may

include repurchase agreements with custodian banks; purchases, as principal, of short-term obligations of, and repurchase agreements with, the 50 largest U.S. banks (measured by deposits); transactions in municipal securities; and transactions in U.S. government securities with affiliated banks that are primary dealers in these securities.

DELAYED-DELIVERY TRANSACTIONS. The fund may buy and sell securities on a delayed-delivery or when-issued basis. These transactions involve a commitment by the fund to purchase or sell specific securities at a predetermined price or yield, with payment and delivery taking place after the customary settlement period for that type of security (and more than seven days in the future). Typically, no interest accrues to the purchaser until the security is delivered. The fund may receive fees for entering into delayed-delivery transactions.

When purchasing securities on a delayed-delivery basis, the fund assumes the rights and risks of ownership, including the risk of price and yield fluctuations. Because the fund is not required to pay for securities until the delivery date, these risks are in addition to the risks associated with the fund's other investments. If the fund remains substantially fully invested at a time when delayed-delivery purchases are outstanding, the delayed-delivery purchases may result in a form of leverage. When delayed-delivery purchases are outstanding, the fund will set aside appropriate liquid assets in a segregated custodial account to cover its purchase obligations. When the fund has sold a security on a delayed-delivery basis, the fund does not participate in further gains or losses with respect to the security. If the other party to a delayed-delivery transaction fails to deliver or pay for the securities, the fund could miss a favorable price or yield opportunity, or could suffer a loss.

The fund may renegotiate delayed-delivery transactions after they are entered into, and may sell underlying securities before they are delivered, which may result in capital gains or losses.

REFUNDING CONTRACTS. The fund may purchase securities on a when-issued basis in connection with the refinancing of an issuer's outstanding indebtedness. Refunding contracts require the issuer to sell and the fund to buy refunded municipal obligations at a stated price and yield on a settlement date that may be several months or several years in the future. The fund generally will not be obligated to pay the full purchase price if it fails to perform under a refunding contract. Instead, refunding contracts generally provide for payment of liquidated damages to the issuer (currently 15-20% of the purchase price). The fund may secure its obligations under a refunding contract by depositing collateral or a letter of credit equal to the liquidated damages provisions of the refunding contract. When required by SEC guidelines, the fund will place liquid assets in a segregated custodial account equal in amount to its obligations under refunding contracts.

INVERSE FLOATERS are instruments whose interest rates bear an inverse relationship to the interest rate on another security or the value of an index. Changes in the interest rate on the other security or index inversely affect the residual interest rate paid on the inverse floater, with the result that the inverse floater's price will be considerably more volatile than that of a fixed-rate bond. For example, a municipal issuer may decide to issue two variable-rate instruments instead of a single long-term, fixed-rate bond. The interest rate on one instrument reflects short-term interest rates, while the interest rate on the other instrument (the inverse floater) reflects the approximate rate the issuer would have paid on a fixed-rate bond, multiplied by two, minus the interest paid on the short-term instrument. Depending on market availability, the two portions may be recombined to form a fixed-rate municipal bond. The market for inverse floaters is relatively new.

VARIABLE OR FLOATING RATE OBLIGATIONS , including certain participation interests in municipal instruments, have interest rate adjustment formulas that help stabilize their market values. Many variable and floating rate instruments also carry demand features that permit the fund to sell them at par value plus accrued interest on short notice.

In many instances bonds and participation interests have tender options or demand features that permit the fund to tender (or put) the bonds to an institution at periodic intervals and to receive the principal amount thereof. The fund considers variable rate instruments structured in this way (Participating VRDOs) to be essentially equivalent to other VRDOs it purchases. The IRS has not ruled whether the interest on Participating VRDOs is tax-exempt and, accordingly, the fund intends to purchase these instruments based on the opinions of bond counsel. The fund may also invest in fixed-rate bonds that are subject to third party puts and in participation interests in such bonds held by a bank in trust or otherwise.

TENDER OPTION BONDS are created by coupling an intermediate- or long-term , fixed-rate , tax-exempt bond (generally held pursuant to a custodial arrangement) with a tender agreement that gives the holder the option to tender the bond at its face value. As consideration for providing the tender option, the sponsor (usually a bank, broker-dealer, or other financial institution) receives periodic fees equal to the difference between the bond's fixed coupon rate and the rate (determined by a remarketing or similar agent) that would cause the bond, coupled with the tender option, to trade at par on the date of such determination. After payment of the tender option fee, the fund effectively holds a demand obligation that bears interest at the prevailing short-term tax-exempt rate. In selecting tender option bonds for the fund, FMR will consider the creditworthiness of the issuer of the underlying bond, the custodian, and the third party provider of the tender option. In certain instances, a sponsor may terminate a tender option if, for example, the issuer of the underlying bond defaults on interest payments.

ZERO COUPON BONDS do not make interest payments. Instead, they are sold at a deep discount from their face value and are redeemed at face value when they mature. Because zero coupon bonds do not pay current income, their prices can be very volatile when interest rates change. In calculating its daily dividend, the fund takes into account as income a portion of the difference between a zero coupon bond's purchase price and its face value.

STANDBY COMMITMENTS are puts that entitle holders to same-day settlement at an exercise price equal to the amortized cost of the underlying security plus accrued interest, if any, at the time of exercise. The fund may acquire standby commitments to enhance the liquidity of portfolio securities.

Ordinarily the fund will not transfer a standby commitment to a third party, although it could sell the underlying municipal security to a third party at any time. The fund may purchase standby commitments separate from or in conjunction with the purchase of securities subject to such commitments. In the latter case, the fund would pay a higher price for the securities acquired, thus reducing their yield to maturity.

Issuers or financial intermediaries may obtain letters of credit or other guarantees to support their ability to buy securities on demand. FMR may rely upon its evaluation of a bank's credit in determining whether to support an instrument supported by a letter of credit. In evaluating a foreign bank's credit, FMR will consider whether adequate public information about the bank is available and whether the bank may be subject to unfavorable political or economic developments, currency controls, or other governmental restrictions that might affect the bank's ability to honor its credit commitment.

Standby commitments are subject to certain risks, including the ability of issuers of standby commitments to pay for securities at the time the commitments are exercised; the fact that standby commitments are not marketable by the fund; and the possibility that the maturities of the underlying securities may be different from those of the commitments.

MUNICIPAL LEASE OBLIGATIONS. The fund may invest a portion of its assets in municipal leases and participation interests therein. These obligations, which may take the form of a lease, an installment purchase, or a conditional sale contract, are issued by state and local governments and authorities to acquire land and a wide variety of equipment and facilities. Generally, the fund will not hold such obligations directly as a lessor of the property, but will purchase a participation interest in a municipal obligation from a bank or other third party. A participation interest gives the fund a specified, undivided interest in the obligation in proportion to its purchased interest in the total amount of the obligation.

Municipal leases frequently have risks distinct from those associated with general obligation or revenue bonds. State constitutions and statutes set forth requirements that states or municipalities must meet to incur debt. These may include voter referenda, interest rate limits, or public sale requirements. Leases, installment purchases, or conditional sale contracts (which normally provide for title to the leased asset to pass to the governmental issuer) have evolved as a means for governmental issuers to acquire property and equipment without meeting their constitutional and statutory requirements for the issuance of debt. Many leases and contracts include "non-appropriation clauses" providing that the governmental issuer has no obligation to make future payments under the lease or contract unless money is appropriated for such purposes by the appropriate legislative body on a yearly or other periodic basis. Non-appropriation clauses free the issuer from debt issuance limitations.

FEDERALLY TAXABLE OBLIGATIONS. The fund does not intend to invest in securities whose interest is federally taxable; however, from time to time, the fund may invest a portion of its assets on a temporary basis in fixed-income obligations whose interest is subject to federal income tax. For example, the fund may invest in obligations whose interest is federally taxable pending the investment or reinvestment in municipal securities of proceeds from the sale of its shares or sales of portfolio securities.

Should the fund invest in federally taxable obligations, it would purchase securities that in FMR's judgment are of high quality. These would include obligations issued or guaranteed by the U.S. government or its agencies or instrumentalities; obligations of domestic banks; and repurchase agreements. The fund's standards for high-quality taxable obligations are essentially the same as those described by Moody's Investors Service, Inc. (Moody's) in rating corporate obligations within its two highest ratings of Prime-1 and Prime-2, and those described by Standard & Poor's Corporation (S&P) in rating corporate obligations within its two highest ratings of A-1 and A-2.

Proposals to restrict or eliminate the federal income tax exemption for interest on municipal obligations are introduced before Congress from time to time. Proposals also may be introduced before the New Jersey legislature that would affect the state tax treatment of the fund's distributions. If such proposals were enacted, the availability of municipal obligations and the value of the fund's holdings would be affected and the Trustees would reevaluate the fund's investment objective and policies.

The fund anticipates being as fully invested as practicable in municipal securities; however, there may be occasions when, as a result of maturities of portfolio securities, sales of fund shares, or in order to meet redemption requests, the fund may hold cash that is not earning income. In addition, there may be occasions when, in order to raise cash to meet redemptions, the fund may be required to sell securities at a loss.

INDEXED SECURITIES. The fund may purchase securities whose prices are indexed to the prices of other securities, securities indices, or other financial indicators. Indexed securities typically, but not always, are debt securities or deposits whose value at maturity or coupon rate is determined by reference to a specific instrument or statistic. Indexed securities may have principal payments as well as coupon payments that depend on the performance of one or more interest rates. Their coupon rates or principal payments may change by several percentage points for every 1% interest rate change. One example of indexed securities is inverse floaters.

The performance of indexed securities depends to a great extent on the performance of the security or other instrument to which they are indexed, and may also be influenced by interest rate changes. At the same time, indexed securities are subject to the credit risks associated with the issuer of the security, and their values may decline substantially if the issuer's creditworthiness deteriorates. Indexed securities may be more volatile than the underlying instruments.

REPURCHASE AGREEMENTS. In a repurchase agreement, the fund purchases a security and simultaneously commits to resell that security to the seller at an agreed upon price on an agreed-upon date within a number of days from the date of purchase. The resale price reflects the purchase price plus an agreed upon incremental amount which is unrelated to the coupon rate or maturity of the purchased security. A repurchase agreement is a taxable obligation which involves the obligation of the seller to pay the agreed-upon price, which obligation is in effect secured by the value (at least equal to the amount of the agreed-upon resale price and marked to market daily) of the underlying security. The fund may engage in repurchase agreements with respect to any security in which it is authorized to invest. While it does not presently appear possible to eliminate all risks from these transactions (particularly the possibility of a decline in the market value of the underlying securities, as well as delays and costs to the fund in connection with bankruptcy proceedings), it is the fund's current policy to limit repurchase agreement transactions to those parties whose creditworthiness has been reviewed and found satisfactory by FMR.

REVERSE REPURCHASE AGREEMENTS. In a reverse repurchase agreement, the fund sells a portfolio instrument to another party, such as a bank or broker-dealer, in return for cash and agrees to repurchase the instrument at a particular price and time. While a reverse repurchase agreement is outstanding, the fund will maintain appropriate liquid assets in a segregated custodial account to cover its obligation under the agreement. The fund will enter into reverse repurchase agreements only with parties whose creditworthiness is deemed satisfactory by FMR. Such transactions may increase fluctuations in the market value of the fund's assets and may be viewed as a form of leverage.

ILLIQUID INVESTMENTS are investments that cannot be sold or disposed of in the ordinary course of business at approximately the prices at which they are valued. Under the supervision of the Board of Trustees, FMR determines the liquidity of the fund's investments and, through reports from FMR, the Board monitors investments in illiquid instruments. In determining the liquidity of the fund's investments, FMR may consider various factors, including (1) the frequency of trades and quotations, (2) the number of dealers and prospective purchasers in the marketplace, (3) dealer undertakings to make a market, (4) the nature of the security (including any demand or tender features), and (5) the nature of the marketplace for trades (including the ability to assign or offset the fund's rights and obligations relating to the investment). Investments currently considered by the fund to be illiquid include over-the-counter options. Also, FMR may determine some restricted securities and municipal lease obligations to be illiquid. However, with respect to over-the-counter options the fund writes, all or a portion of the value of the underlying instrument may be illiquid depending on the assets held to cover the option and the nature and terms of any agreement the fund may have to close out the option before expiration. In the absence of market quotations, illiquid investments are priced at fair value as determined in good faith by a committee appointed by the Board of Trustees. If through a change in values, net assets, or other circumstances, the fund were in a position where more than 10% of its net assets were invested in illiquid securities, it would seek to take appropriate steps to protect liquidity.

RESTRICTED SECURITIES generally can be sold in privately negotiated transactions, pursuant to an exemption from registration under the Securities Act of 1933, or in a registered public offering. Where registration is required, the fund may be obligated to pay all or part of the registration expense and a considerable period may elapse between the time it decides to seek registration and the time the fund may be permitted to sell a security under an effective registration statement. If, during such a period, adverse market conditions were to develop, the fund might obtain a less favorable price than prevailed when it decided to seek registration of the security.

INTERFUND BORROWING PROGRAM. The fund has received permission from the SEC to lend money and to borrow money from other funds advised by FMR or its affiliates, but it will participate in the interfund borrowing program only as a borrower. Interfund loans normally will extend overnight, but can have a maximum duration of seven days. The fund will borrow through the program only when the costs are equal to or lower than the cost of bank loans. The fund will not borrow money through the program if, after doing so, total outstanding borrowings would exceed 15% of total assets. Loans may be called on one day's notice, and the fund may have to borrow from a bank at a higher interest rate if an interfund loan is called or not renewed.

LOWER-RATED MUNICIPAL SECURITIES. The fund may invest a portion of its assets in lower-rated municipal securities as described in the Prospectus. While the market for New Jersey municipals is considered to be substantial, adverse publicity and changing investor perceptions may affect the ability of outside pricing services used by the fund to value its portfolio securities, and the fund's ability to dispose of lower-rated bonds. The outside pricing services are consistently monitored to assure that securities are valued by a method that the Board believes accurately reflects fair value. The impact of changing investor perceptions may be especially pronounced in markets where municipal securities are thinly traded.

The fund may choose, at its expense or in conjunction with others, to pursue litigation or otherwise exercise its rights as a security holder to seek to protect the interests of security holders if it determines this to be in the best interest of the fund's shareholders.

LIMITATIONS ON FUTURES AND OPTIONS TRANSACTIONS. The fund intends to file a notice of eligibility for exclusion from the definition of the term "commodity pool operator" with the Commodity Futures Trading Commission (CFTC) and the National Futures Association, which regulate trading in the futures markets, before engaging in any purchases or sales of futures contracts or options on futures contracts. The fund intends to comply with Section 4.5 of the regulations under the Commodity Exchange Act, which limits the extent to which the fund can commit initial margin deposits and margin premiums.

In addition, the fund will not: (a) sell futures contracts, purchase put options, or write call options if, as a result, more than 25% of the fund's total assets would be hedged with futures and options under normal conditions; (b) purchase futures contracts or write put options if, as a result, the fund's total obligations upon settlement or exercise of purchased futures contracts and written put options would exceed 25% of its total assets; (c) purchase call options if, as a result, the current value of option premiums for call options purchased by the fund would exceed 5% of the fund's total assets. These limitations do not apply to options attached to or acquired or traded together with their underlying securities, and do not apply to securities that incorporate features similar to options.

The above limitations on the fund's investments in futures contracts and options and the fund's policies regarding futures contracts and options discussed elsewhere in this Statement of Information may be changed as regulatory agencies permit.

FUTURES CONTRACTS. When the fund purchases a futures contract, it agrees to purchase a specified underlying instrument at a specified future date. When the fund sells a futures contract, it agrees to sell the underlying instrument at a specified future date. The price at which the purchase and sale will take place is fixed when the fund enters into the contract. Some currently available futures contracts are based on specific securities, such as U.S. Treasury bonds or notes, and some are based on indices of securities prices, such as the Bond Buyer Index of municipal bonds. Futures can be held until their delivery dates, or can be closed out before then if a liquid secondary market is available.

The value of a futures contract tends to increase and decrease in tandem with the value of its underlying instrument. Therefore, purchasing futures contracts will tend to increase the fund's exposure to positive and negative price fluctuations in the underlying instrument, much as if it had purchased the underlying instrument directly. When the fund sells a futures contract, by contrast, the value of its futures position will tend to move in a direction contrary to the market. Selling futures contracts, therefore, will tend to offset both positive and negative market price changes, much as if the underlying instrument had been sold.

FUTURES MARGIN PAYMENTS. The purchaser or seller of a futures contract is not required to deliver or pay for the underlying instrument unless the contract is held until the delivery date. However, both the purchaser and seller are required to deposit "initial margin" with a futures broker, known as a futures commission merchant (FCM), when the contract is entered into. Initial margin deposits are typically equal to a percentage of the contract's value. If the value of either party's position declines, that party will be required to make additional "variation margin" payments to settle the change in value on a daily basis. The party that has a gain may be entitled to receive all or a portion of this amount. Initial and variation margin payments do not constitute purchasing securities on margin for purposes of the fund's investment limitations. In the event of the bankruptcy of an FCM that holds margin on behalf of the fund, the fund may be entitled to return of margin owed to it only in proportion to the amount received by the FCM's other customers, potentially resulting in losses to the fund.

PURCHASING PUT AND CALL OPTIONS. By purchasing a put option, the fund obtains the right (but not the obligation) to sell the option's underlying instrument at a fixed strike price. In return for this right, the fund pays the current market price for the option (known as the option premium). Options have various types of underlying instruments, including specific securities, indices of securities prices, and futures contracts. The fund may terminate its position in a put option it has purchased by allowing it to expire or by exercising the option. If the option is allowed to expire, the fund will lose the entire premium it paid. If the fund exercises the option, it completes the sale of the underlying instrument at the strike price. The fund may also terminate a put option position by closing it out in the secondary market at its current price, if a liquid secondary market exists.

The buyer of a typical put option can expect to realize a gain if security prices fall substantially. However, if the underlying instrument's price does not fall enough to offset the cost of purchasing the option, a put buyer can expect to suffer a loss (limited to the amount of the premium paid, plus related transaction costs).

The features of call options are essentially the same as those of put options, except that the purchaser of a call option obtains the right to purchase, rather than sell, the underlying instrument at the option's strike price. A call buyer typically attempts to participate in potential price increases of the underlying instrument with risk limited to the cost of the option if security prices fall. At the same time, the buyer can expect to suffer a loss if security prices do not rise sufficiently to offset the cost of the option.

WRITING PUT AND CALL OPTIONS. When the fund writes a put option, it takes the opposite side of the transaction from the option's purchaser. In return for receipt of the premium, the fund assumes the obligation to pay the strike price for the option's underlying instrument if the other party to the option chooses to exercise it. When writing an option on a futures contract the fund will be required to make margin payments to an FCM as described above for futures contracts. The fund may seek to terminate its position in a put option it writes before exercise by closing out the option in the secondary market at its current price. If the secondary market is not liquid for a put option the fund has written, however, the fund must continue to be prepared to pay the strike price while the option is outstanding, regardless of price changes, and must continue to set aside assets to cover its position.

If security prices rise, a put writer would generally expect to profit, although its gain would be limited to the amount of the premium it received. If security prices remain the same over time, it is likely that the writer will also profit, because it should be able to close out the option at a lower price. If security prices fall, the put writer would expect to suffer a loss. This loss should be less than the loss from purchasing the underlying instrument directly, however, because the premium received for writing the option should mitigate the effects of the decline.

Writing a call option obligates the fund to sell or deliver the option's underlying instrument, in return for the strike price, upon exercise of the option. The characteristics of writing call options are similar to those of writing put options, except that writing calls generally is a profitable strategy if prices remain the same or fall. Through receipt of the option premium, a call writer mitigates the effects of a price decline. At the same time, because a call writer must be prepared to deliver the underlying instrument in return for the strike price, even if its current value is greater, a call writer gives up some ability to participate in security price increases.

COMBINED POSITIONS. The fund may purchase and write options in combination with each other, or in combination with futures or forward contracts, to adjust the risk and return characteristics of the overall position. For example, the fund may purchase a put option and write a call option on the same underlying instrument, in order to construct a combined position whose risk and return characteristics are similar to selling a futures contract. Another possible combined position would involve writing a call option at one strike price and buying a call option at a lower price, in order to reduce the risk of the written call option in the event of a substantial price increase. Because combined options positions involve multiple trades, they result in higher transaction costs and may be more difficult to open and close out.

CORRELATION OF PRICE CHANGES. Because there are a limited number of types of exchange-traded options and futures contracts, it is likely that the standardized contracts available will not match the fund's current or anticipated investments exactly. The fund may invest in options and futures contracts based on securities with different issuers, maturities, or other characteristics from the securities in which it typically invests, which involves a risk that the options or futures position will not track the performance of the fund's other investments.

Options and futures prices can also diverge from the prices of their underlying instruments, even if the underlying instruments match the fund's investments well. Options and futures prices are affected by such factors as current and anticipated short-term interest rates, changes in volatility of the underlying instrument, and the time remaining until expiration of the contract, which may not affect security prices the same way. Imperfect correlation may also result from differing levels of demand in the options and futures markets and the securities markets, from structural differences in how options and futures and securities are traded, or from imposition of daily price fluctuation limits or trading halts. The fund may purchase or sell options and futures contracts with a greater or lesser value than the securities it wishes to hedge or intends to purchase in order to attempt to compensate for differences in volatility between the contract and the securities, although this may not be successful in all cases. If price changes in the fund's options or futures positions are poorly correlated with its other investments, the positions may fail to produce anticipated gains or result in losses that are not offset by gains in other investments.

LIQUIDITY OF OPTIONS AND FUTURES CONTRACTS. There is no assurance a liquid secondary market will exist for any particular options or futures contract at any particular time. Options may have relatively low trading volume and liquidity if their strike prices are not close to the underlying instrument's current price. In addition, exchanges may establish daily price fluctuation limits for options and futures contracts, and may halt trading if a contract's price moves upward or downward more than the limit in a given day. On volatile trading days when the price fluctuation limit is reached or a trading halt is imposed, it may be impossible for the fund to enter into new positions or close out existing positions. If the secondary market for a contract is not liquid because of price fluctuation limits or otherwise, it could prevent prompt liquidation of unfavorable positions, and potentially could require the fund to continue to hold a position until delivery or expiration regardless of changes in its value. As a result, the fund's access to other assets held to cover its options or futures positions could also be impaired.

OTC OPTIONS. Unlike exchange-traded options, which are standardized with respect to the underlying instrument, expiration date, contract size, and strike price, the terms of over-the-counter options (options not traded on exchanges) generally are established through negotiation with the other party to the option contract. While this type of arrangement allows the fund greater flexibility to tailor an option to its needs, OTC options generally involve greater credit risk than exchange-traded options, which are guaranteed by the clearing organization of the exchanges where they are traded.

ASSET COVERAGE FOR FUTURES AND OPTIONS POSITIONS. The fund will comply with guidelines established by the Securities and Exchange Commission with respect to coverage of options and futures strategies by mutual funds, and if the guidelines so require will set aside appropriate liquid assets in a segregated custodial account in the amount prescribed. Securities held in a segregated account cannot be sold while the futures or option strategy is outstanding, unless they are replaced with other suitable assets. As a result, there is a possibility that segregation of a large percentage of the fund's assets could impede portfolio management or the fund's ability to meet redemption requests or other current obligations.

SPECIAL FACTORS AFFECTING NEW JERSEY

The following highlights only some of the more significant financial trends and problems affecting New Jersey, and is based on information drawn from official statements and prospectuses relating to securities offerings of the State of New Jersey, its agencies and instrumentalities, as available on the date of this Statement of Additional Information. FMR has not independently verified any of the information contained in such official statements and other publicly available documents, but is not aware of any fact which would render such information inaccurate.

On November 2, 1993, Christine Todd Whitman was elected to replace James Florio as Governor of the State. Governor-Elect Whitman will take office on January 18, 1994. As a matter of public record, Governor-Elect Whitman during her campaign publicized her intention to reduce taxes in the State. At this time the effect of Governor-Elect Whitman's election cannot be evaluated.

The State's 1993 Fiscal Year budget became law on June 30, 1993.

Changes in economic activity in the State and the nation, consumption of durable goods, corporate financial performance and other factors that are difficult to predict may result in actual collections for Fiscal Year 199 4 being more or less than forecasted. The State is bound, however, by the constitutional requirement that no appropriations law may be enacted if the amount of money appropriated therein, together with all other prior appropriations made for the same Fiscal Year, exceeds the total amount of anticipated revenues available for such Fiscal Year as certified by the Governor.

By the beginning of the national recession, construction activity had already been declining in New Jersey for nearly two years. As the rapid acceleration of real estate prices forced many would-be homeowners out of the market and high non-residential vacancy rates reduced new commitments for offices and commercial facilities, construction employment began to decline; also growth had tapered off markedly in the service sectors and the long-term downtrend of factory employment had accelerated partly because of a leveling off of industrial demand nationally. The onset of recession caused an acceleration of New Jersey's job losses in construction and manufacturing, as well as an employment downturn in such previously growing sectors as wholesale trade, retail trade, finance, utilities, trucking and warehousing.

Reflecting the economic downturn, the rate of unemployment in the State rose from 3.6% during the first quarter of 1989 to an estimated 6.6% in 1991. In 1992 the State's unemployment rate moved ahead of the nation's for the first time in a decade to an annual average of 8.4% versus 7.4% in the United States.

In 1992, employment and services in government turned around in the State, growing over the year by 0.7% and 0.3%, respectively. These increases were outweighed by the declines in other sectors - especially in manufacturing, wholesale and retail trade and construction - resulting in a decline in non-farm employment of 1.7% in 1992. Non-farm employment continued to decline in 1993 but the rate of decline has tapered off. Employment in the last five months of 1993 was 1.0% lower than in the same period in 1992. Gains were recorded in services, government, finance/insurance/real estate and transportation/communication/ and public utilities. Declines continued in trade, construction and manufacturing. Recovery is likely to be slow and uneven in New Jersey . Some sectors, like commercial and industrial construction, will undoubtedly lag because of continued excess capacity. Also, employers in rebounding sectors can be expected to remain cautious about hiring until they become convinced that improved business will be sustained. Other firms will continue to merge or downsize to increase profitability. As a result, job gains will probably come grudgingly and unemployment will recede at a correspondingly slow pace.

There is a Constitutional provision that requires the State to maintain a balanced budget. The State operates on a fiscal year beginning July 1 and ending June 30. The General F und is the fund into which all State revenues not otherwise restricted by statute are deposited and from which appropriations are made. The largest part of the total financial operations of the State is accounted for in the General F und, which includes revenues received from taxes and unrestricted by statute, most federal revenues, and certain miscellaneous revenue items. The appropriation acts enacted by the Legislature and approved by the Governor provide the basic framework for the operation of the General F und. The undesignated General F und balance at year end for F iscal Year 1991 was $1.4 million, Fi scal Y ear 1992 was $7 60.8 million and for Fiscal Year 1993 is estimated to have been $687.8 million. For Fiscal Year 1993 the balance in the undesignated General Fund is projected to be $42.2 million.

$ 687.3 million is provided in the fiscal 199 4 Appropriations Act as the State's contributions to public retirement plans. Between March 31 and July 1, 199 2 , independent actuaries reported that the market value of all assets of the retirement funds was $ 34.3 billion compared to a $3 2 . 4 billion accrued liability, representing a funding level of 105.9 % calculated under the traditional approach of book value of assets to projected accrued liability.

According to recently published statistics, New Jersey is among those states which receive the highest amount of federal aid. Federal aid received in the General F und and Special Transportation fund amounted to $4. 29 billion for the fiscal year ended June 30, 1992 , is estimated to have been $4.85 billion for the fiscal year ended June 30, 1993 and is projected to be $5.61 billion for the fiscal year ending June 30, 1994. The largest portion of federal aid is made up of entitlements, whereby the State is reimbursed for expenditures up to a certain percentage of total cost. Whether federal aid is received under a formula, an entitlement, or a categorical grant program, the actual expenditure of funds may be either at the State level, the local level, or some other level, such as a non-profit agency.

The State finances capital projects primarily through the sale of its general obligation bonds. These bonds are backed by the full faith and credit of the State. Tax revenues and certain other fees are pledged to meet the principal and interest payments required to pay the debt fully. No general obligation debt can be issued by the State without prior voter approval, except that no voter approval is required for any law authorizing the creation of a debt for the purpose of refinancing all or a portion of outstanding debt of the State, so long as such law requires that the refinancing provide a debt service savings.

In addition to payment from bond proceeds, capital construction can also be funded by appropriation of current revenues on a pay-as-you-go basis. This amount represents 2.2% of the total budget. In fiscal 1993, the amount is $331.0 million for transportation projects.

The aggregate outstanding general obligation bonded indebtedness of the State as of June 30, 199 3 was $3. 5497 billion. The debt service obligation for outstanding indebtedness is $ 119.9 million for fiscal year 1993.

The State has extensive control over school districts, cities, counties and local financing authorities. State laws impose specific limitations on local appropriations, with exemptions subject to state approval. The State shares the proceeds of a number of taxes, with funds going primarily for local education programs, homestead rebates, medicaid and welfare programs. Certain bonds are issued by localities, but supported by direct state payments. In addition, the State participates in local wastewater treatment programs.

At any given time, there are various numbers of claims and cases pending against the State. State agencies and employees, seeking recovery of monetary damages that are primarily paid out of the fund created pursuant to the Tort Claims Act, N.J.S.A. 59:1-1 ET. SEQ. In addition, at any given time there are various contract claims against the State and State agencies

seeking recovery of monetary damages. The State is unable to estimate its exposure for these claims. An independent study estimated an aggregate potential exposure of $50 million for tort claims pending, as of January 1, 1982. It is estimated that were a similar study made of claims currently pending the amount of estimated exposure would be higher. Moreover, New Jersey is involved in a number of other lawsuits in which adverse decisions could materially affect revenue or expenditures. Such cases include challenges to its system of educational funding, the methods by which the State Department of Human Services shares with county governments, the maintenance recoveries and costs for residents in State psychiatric hospitals, and residential facilities for the developmentally disabled. Other lawsuits, that could materially affect revenue or expenditures include a suit by a number of taxpayers seeking refunds of taxes paid to the Spill Compensation F und pursuant to N.J.S.A. 58:10-23.11, a suit alleging that unreasonably low Medicaid payment rates have been implemented for long-term care facilities in New Jersey, (a method of funding the judicial system) and a suit seeking return of moneys paid by various counties for maintenance of Medicaid or Medicare eligible residents of institutions and facilities for the developmentally disabled and a suit challenging the imposition of premium tax surcharges on insurers doing business in New Jersey, and assessments upon property and casualty liability insurers pursuant to the Fair Automobile Insurance Reform Act.
Legislation enacted June 30, 1992, effective immediately, called for revaluation of several public employee pension funds, authorized an adjustment to the assumed rate of return on investment and refunds $773 million in public employer contributions to the State from various pension funds, to be reflected as a revenue source for Fiscal Year 1992 and $226 million in Fiscal Year 1993 and each fiscal year thereafter. Several labor unions filed suit seeking a judgment directing the State Treasurer to refund all monies transferred from the pension funds and paid into the General F und. On February 5, 1993, the Superior Court granted the State's motion for summary judgement as to all claims. An appeal has been filed with the Appelate Division of Superior Court. An adverse determination would have a significant impact on Fiscal Years 1992 , 1993 , and 1994 revenue estimates.

Bond Ratings - In July 1991, Standard & Poor's Corporation ("Standard & Poors") downgraded New Jersey General Obligation Bonds from AAA to AA+. Fitch Investor Service, Inc. rates New Jersey General Obligation Bonds AAA. Citing a developing pattern of reliance on non-recurring measures to achieve budgetary balance, four years of financial operations marked by revenue shortfalls and operating deficits, and the likelihood that financial pressures will persist, on August 24, 1992 Moody's lowered from Aaa to Aa1 the rating assigned to New Jersey general obligation bonds. On July 6, 1992, Standard & Poor's removed New Jersey's General Obligation Bonds from Credit Watch and affirmed its AA+ ratings on New Jersey's general obligation and various lease and appropriation backed debt, but its ratings outlook was revised to negative for the longer term horizon (beyond four months) for resolution of two items cited in the Credit Watch listing: (i) the Federal Health Care Facilities Administration ruling concerning retroactive medicaid hospital reimbursements and (ii) the state's uncompensated health care funding system, which is pending review by the United States Supreme Court.

SPECIAL FACTORS AFFECTING PUERTO RICO

The following only highlights some of the more significant financial trends and problems affecting the Commonwealth of Puerto Rico (the "Commonwealth" or "Puerto Rico"), and is based on information drawn from official statements and prospectuses relating to the securities offerings of Puerto Rico, its agencies and instrumentalities, as available on the date of this Statement of Additional Information. FMR has not independently verified any of the information contained in such official statements, prospectuses and other publicly available documents, but is not aware of any fact which would render such information materially inaccurate.

The economy of Puerto Rico is closely linked with that of the United States, and in fiscal 1992 trade with the United States accounted for approximately 88% of Puerto Rico's exports and approximately 68% of its imports. In this regard, in fiscal 1992 Puerto Rico experienced a $2,940,300,000 positive adjusted merchandise trade balance. Since fiscal 1987 personal income, both aggregate and per capita, have increased consistently each fiscal year. In fiscal 1992 aggregate personal income was $22.7 billion and personal per capita income was $6,360. Gross domestic product in fiscal 1989, 1990, 1991 and 1992 was $19,954,000, $21,619,000, $ 22,857,000, and $23,620,000 respectively. For fiscal 1993, an increase in gross domestic product of 2.9% over fiscal 1992 is forecasted. However, actual growth in the Puerto Rico economy will depend on several factors including the condition of the U.S. economy, the exchange rate for the U.S. dollar, the price stability of oil imports, and interest rates. Due to these factors there is no assurance that the economy of Puerto Rico will continue to grow.

Puerto Rico has made marked improvements in fighting unemployment. Unemployment is at a low level compared to that of the late 1970s, but it still remains significantly above the United States average. Despite long term improvements the unemployment rate rose from 15.2% to 16.5% from fiscal 1991 to fiscal 1992. At the end of the third quarter of fiscal 1993 the unemployment rate in Puerto Rico stood at 17.3%. There is a possibility that the unemployment rate will continue to increase.

The economy of Puerto Rico has undergone a transformation in the later half of this century from one centered around agriculture, to one dominated by the manufacturing and service industries. Manufacturing is the cornerstone of Puerto Rico's economy, accounting for $13.2 billion or 38.7% of gross domestic product in 1992. However, manufacturing has experienced a basic change over the years as a result of the influx of higher wage, high technology industries such as the pharmaceutical industry, electronics, computers, micro - processors, scientific instruments and high technology machinery. The service sector, which includes wholesale and retail trade, finance and real estate, ranks second in its contribution to gross domestic product and is the sector that employs the greatest number of people. In fiscal 1992, the service sector generated $13.0 billion in gross domestic product or 38.3% of the total and employed over 449,000 workers providing 46% of total employment. The government sector and tourism also contribute to the island economy each accounting for $3.7 billion and $1.5 billion in fiscal 1992, respectively.

Much of the development of the manufacturing sector of the economy of Puerto Rico is attributable to federal and Commonwealth tax incentives, most notably section 936 of the Internal Revenue Code of 1986, as amended ("Section 936") and the Commonwealth's Industrial Incentives Program. Section 936 currently grants U.S. corporations that meet certain criteria and elect its application a credit against their U.S. corporate income tax on the portion of the tax attributable to (i) income derived from the active conduct of a trade or business in Puerto Rico ("active income"), or from the sale or exchange of substantially all the assets used in the active conduct of such trade or business, and (ii) qualified possession source investment income ("passive income"). The Industrial Incentives Program, through the 1987 Industrial Incentives Act, grants corporations engaged in certain qualified activities a fixed 90% exemption from Commonwealth income and property taxes and a 60% exemption from municipal license taxes.

On August 16, 1993, President Clinton signed a bill amending Section 936. Under the amendments, U.S. corporations with operations in Puerto Rico can elect to receive a federal income tax credit equal to: 40% of the credit currently available, phased in over a five year period, starting at 60% of the current credit, or a credit based on investment and wages. The investment and wage credit would equal the sum of (i) 60% of qualified compensation to employees, (ii) a specified percentage of depreciation deductions with respect to tangible property located in Puerto Rico, and (iii) a portion of income taxed paid to Puerto Rico, up to a 9% effective tax rate, subject to certain requirements. It is not possible to determine at this time whether the reductions in tax incentives for operations in Puerto Rico will have a significant impact on the economy of Puerto Rico or the time period in which such impact would arise.

PORTFOLIO TRANSACTIONS

All orders for the purchase or sale of portfolio securities are placed on behalf of the fund by FMR (either directly or through affiliated sub-advisers) pursuant to authority contained in the management contract. FMR is also responsible for the placement of transaction orders for other investment companies and accounts for which it or its affiliates act as investment adviser. In selecting broker-dealers, subject to applicable limitations of the federal securities laws, FMR will consider various relevant factors, including, but not limited to: the size and type of the transaction; the nature and character of the markets for the security to be purchased or sold; the execution efficiency, settlement capability, and financial condition of the broker-dealer firm; the broker-dealer's execution services rendered on a continuing basis; and the reasonableness of any commissions.

The fund may execute portfolio transactions with broker-dealers who provide research and execution services to the fund or other accounts over which FMR or its affiliates exercise investment discretion. Such services may include advice concerning the value of securities; the advisability of investing in, purchasing, or selling securities; the availability of securities or the purchasers or sellers of securities; furnishing analyses and reports concerning issuers, industries, securities, economic factors and trends, portfolio strategy, and performance of accounts; and effecting securities transactions and performing functions incidental thereto (such as clearance and settlement). FMR maintains a listing of broker-dealers who provide such services on a regular basis. The selection of such broker-dealers is generally made by FMR (to the extent possible consistent with execution considerations) based upon the quality of research and execution services provided.

The receipt of research from broker-dealers that execute transactions on behalf of the fund may be useful to FMR in rendering investment management services to the fund or its other clients, and, conversely, such research provided by broker-dealers who have executed transaction orders on behalf of other FMR clients may be useful to FMR in carrying out its obligations to the fund. The receipt of such research has not reduced FMR's normal independent research activities; however, it enables FMR to avoid additional expenses that could be incurred if FMR tried to develop comparable information through its own efforts.

Subject to applicable limitations of the federal securities laws, broker-dealers may receive commissions for agency transactions that are in excess of the amount of commissions charged by other broker-dealers in recognition of their research and execution services. In order to cause the fund to pay such higher commissions, FMR must determine in good faith that such commissions are reasonable in relation to the value of the brokerage and research services provided by such executing broker-dealers, viewed in terms of a particular transaction or FMR's overall responsibilities to the fund and its other clients. In reaching this determination, FMR will not attempt to place a specific dollar value on the brokerage and research services provided, or to determine what portion of the compensation should be related to those services.

FMR is authorized to use research services provided by and to place portfolio transactions with brokerage firms that have provided assistance in the distribution of shares of the fund or shares of other Fidelity funds to the extent permitted by law. FMR may use research services provided by and place agency transactions with Fidelity Brokerage Services, Inc. (FBSI), a member of the New York Stock Exchange and a subsidiary of FMR Corp., if the commissions are fair, reasonable, and comparable to commissions charged by non-affiliated, qualified brokerage firms for similar services.

Section 11(a) of the Securities Exchange Act of 1934 prohibits members of national securities exchanges from executing exchange transactions for accounts which they or their affiliates manage, except in accordance with regulations of the Securities and Exchange Commission. Pursuant to such regulations, the Board of Trustees has approved a written agreement that permits FBSI to effect portfolio transactions on national securities exchanges and to retain compensation in connection with such transactions.

The fund paid no brokerage commissions for the fiscal years ended November 30, 1993, 1992 , and 1991.

The Trustees periodically review FMR's performance of its responsibilities in connection with the placement of portfolio transactions on behalf of the fund and review the commissions paid by the fund over representative periods of time to determine if they are reasonable in relation to the benefits to the fund.

For fiscal 1993, 1992 and 1991, the fund's turnover rates were 25 %, 33%, and 42%, respectively.

From time to time the Trustees will review whether the recapture for the benefit of the fund of some portion of the brokerage commissions or similar fees paid by the fund on portfolio transactions is legally permissible and advisable. The fund seeks to recapture soliciting broker-dealer fees on the tender of portfolio securities, but at present no other recapture arrangements are in effect. The Trustees intend to continue to review whether recapture opportunities are available and are legally permissible and, if so, to determine in the exercise of their business judgment whether it would be advisable for the fund to seek such recapture.

Although the Trustees and officers of the fund are substantially the same as those of other funds managed by FMR, investment decisions for the fund are made independently from those of other funds managed by FMR or accounts managed by FMR affiliates. It sometimes happens that the same security is held in the portfolio of more than one of these funds or accounts. Simultaneous transactions are inevitable when several funds are managed by the same investment adviser, particularly when the same security is suitable for the investment objective of more than one fund.

When two or more funds are simultaneously engaged in the purchase or sale of the same security, the prices and amounts are allocated in accordance with a formula considered by the officers of the funds involved to be equitable to each fund. In some cases, this system could have a detrimental effect on the price or value of the security as far as the fund is concerned. In other cases, however, the ability of the fund to participate in volume transactions will produce better executions and prices for the fund. It is the current opinion of the Trustees that the desirability of retaining FMR as investment adviser to the fund outweighs any disadvantages that may be said to exist from exposure to simultaneous transactions.

VALUATION OF PORTFOLIO SECURITIES

Valuations of portfolio securities furnished by the pricing service employed by the fund are based upon a computerized matrix system or appraisals by the pricing service, in each case in reliance upon information concerning market transactions and quotations from recognized municipal securities dealers. The methods used by the pricing service and the quality of valuations so established are reviewed by officers of the fund and FSC under the general supervision of the Board of Trustees. There are a number of pricing services available, and the Trustees, or officers acting on behalf of the Trustees, on the basis of on-going evaluation of these services, may use other pricing services or discontinue the use of any pricing service in whole or in part. Futures contracts and options are valued on the basis of market quotations if available.

PERFORMANCE

The fund may quote performance in various ways. All performance information supplied by the fund in advertising is historical and is not intended to indicate future returns. The fund's share price, yield, and total returns fluctuate in response to market conditions and other factors. The value of the fund's shares when redeemed may be more or less than their original cost.

YIELD CALCULATIONS. Yields for the fund used in advertising are computed by dividing the fund's interest income for a given 30-day or one-month period, net of expenses, by the average number of shares entitled to receive dividends during the period, dividing this figure by the fund's net asset value per share at the end of the period, and annualizing the result (assuming compounding of income) in order to arrive at an annual percentage rate. Yields do not reflect the fund's .50% redemption fee, which applies to shares held less than 180 days. Income is calculated for purposes of yield quotations in accordance with standardized methods applicable to all stock and bond funds. In general, interest income is reduced with respect to bonds trading at a premium over their par value by subtracting a portion of the premium from income on a daily basis, and is increased with respect to bonds trading at a discount by adding a portion of the discount to daily income. Capital gains and losses generally are excluded from the calculation.

Income calculated for the purposes of determining the fund's yield differs from income as determined for other accounting purposes. Because of the different accounting methods used, and because of the compounding of income assumed in yield calculations, the fund's yield may not equal its distribution rate, the income paid to your account, or the income reported in the fund's financial statements.

The fund's tax-equivalent yield is the rate an investor would have to earn from a fully taxable investment to equal the fund's tax-free yield after taxes. Tax-equivalent yields are calculated by dividing the fund's yield by the result of one minus a stated federal or combined federal and state tax rate. (If only a portion of the fund's yield is tax-exempt, only that portion is adjusted in the calculation.)

The following tables show the effect of a shareholder's tax status on effective yield under federal and state income tax laws for 1994. They show the approximate yield a taxable security must provide at various income brackets to produce after-tax yields equivalent to those of hypothetical tax-exempt obligations yielding from 4.0% to 8.0%. Of course, no assurance can be given that the fund will achieve any specific tax-exempt yield. While the fund invests principally in obligations whose interest is exempt from federal and state income tax, other income received by the fund may be taxable. The tables do not take into account local taxes, if any, payable on fund distributions.

1994 TAX-RATES AND EQUIVALENT YIELDS

Taxable Income* Single Return	Joint Return	Marginal Federal Income Tax Bracket	New Jersey Marginal Rate	Combined New Jersey and Federal Effective Tax Bracket **
$22,751-$35,000	$38,001-$50,000	28%	2.5%	29.80%
--	$50,001-$70,000	28%	3.5%	30.52%
$35,001-$40,000	$70,001-$80,000	28%	5.0%	31.60%
$40,001-$55,100	$80,001-$91,850	28%	6.5%	32.68%
$55,101-$75,000	$91,851-$140,000	31%	6.5%	35.49%
$75,001-$115,000	--	31%	7.0%	35.83%
--	$140,001-$150,000	36%	6.5%	40.16%
$115,001-$250,000	$150,001-$250,000	36%	7.0%	40.48%
$250,001 & above	$250,001 & above	39.6%	7.0%	43.83%

</TABLE>

* Net amount subject to federal income tax after deductions and exemptions. Assumes ordinary income only; does not include the effect of preferential rate on long-term capital gains.
** Excludes the impact of the phaseout of personal exemptions, limitations on itemized deductions, and other credits, exclusions, and adjustments which may increase a taxpayer's marginal tax rate. An increase in a shareholder's marginal tax rate would increase that shareholder's tax-equivalent yield.
Having determined your effective tax bracket above, use the tax table below to determine the tax-equivalent yield for a given tax-free yield.
If your combined effective federal and state personal income tax rate in 1994 is:

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<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
29.80%	29.80%	30.52%	31.60%	32.68%	35.49%	35.83%	40.16%	40.48%	43.83%

</TABLE>

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To match these tax-free rates:	Your taxable investment would have to earn the following yield:

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<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
2.0%	2.85%	2.88%	2.92%	2.97%	3.10%	3.12%	3.34%	3.36%	3.56%
3.0%	4.27%	4.32%	4.39%	4.46%	4.65%	4.68%	5.01%	5.04%	5.34%
4.0%	5.70%	5.76%	5.85%	5.94%	6.20%	6.23%	6.68%	6.72%	7.12%
5.0%	7.12%	7.20%	7.31%	7.43%	7.75%	7.79%	8.36%	8.40%	8.90%
6.0%	8.55%	8.64%	8.77%	8.91%	9.30%	9.35%	10.03%	10.08%	10.68%
7.0%	9.97%	10.07%	10.23%	10.40%	10.85%	10.91%	11.70%	11.76%	12.46%
8.0%	11.40%	11.51%	11.70%	11.88%	12.40%	12.47%	13.37%	13.44%	14.24%

</TABLE>

The fund may invest a portion of its assets in obligations that are subject to state or federal income taxes. When the fund invests in these obligations, its tax-equivalent yields will be lower. In the table above, tax-equivalent yields are calculated assuming investments are 100% federally and state tax-free.
Yield information may be useful in reviewing the fund's performance and in providing a basis for comparison with other investment alternatives. However, the fund's yield fluctuates, unlike investments that pay a fixed interest rate over a stated period of time. When comparing investment alternatives, investors should also note the quality and maturity of the portfolio securities of respective investment companies they have chosen to consider.
Investors should recognize that in periods of declining interest rates the fund's yield will tend to be somewhat higher than prevailing market rates, and in periods of rising interest rates the fund's yield will tend to be somewhat lower. Also, when interest rates are falling, the inflow of net new money to the fund from the continuous sale of its shares will likely be invested in instruments producing lower yields than the balance of the fund's holdings, thereby reducing the fund's current yield. In periods of rising interest rates, the opposite can be expected to occur.
TOTAL RETURN CALCULATIONS. Total returns quoted in advertising reflect all aspects of the fund's returns, including the effect of reinvesting dividends and capital gain distributions (if any), and any change in the fund's net asset value per share (NAV) over the stated period. Average annual total returns are calculated by determining the growth or decline in value of a hypothetical historical investment in the fund over a stated period, and then calculating the annually compounded percentage rate that would have produced the same result if the rate of growth or decline in value had been constant over the period. For example, a cumulative total return of 100% over ten years would produce an average annual total return

of 7.18%, which is the steady annual rate that would equal 100% growth on a compounded basis in ten years. While average annual total returns are a convenient means of comparing investment alternatives, investors should realize that the fund's performance is not constant over time, but changes from year to year, and that average annual total returns represent averaged figures as opposed to the actual year-to-year performance of the fund.

In addition to average annual total returns, the fund may quote unaveraged or cumulative total returns reflecting the simple change in value of an investment over a stated period. Average annual and cumulative total returns may be quoted as a percentage or as a dollar amount, and may be calculated for a single investment, a series of investments, or a series of redemptions, over any time period. Total returns may be broken down into their components of income and capital (including capital gains and changes in share price) in order to illustrate the relationship of these factors and their contributions to total return. An example of this type of illustration is given below. Total returns, yields, and other performance information may be quoted numerically or in a table, graph, or similar illustration, and may omit or include the effects of the fund's $5.00 account closeout fee and the .50% redemption fee on shares held less than 180 days.

NET ASSET VALUE. Charts and graphs using the fund's net asset values, and benchmark indices may be used to exhibit performance. An adjusted NAV includes any distributions paid by the fund and reflects all elements of its return. Unless otherwise indicated, the fund's adjusted NAVs are not adjusted for sales charges, if any.

HISTORICAL RESULTS. The following table shows the fund's yield, tax-equivalent yield, and total returns for the periods ended November 30, 1993:

30-Day	Tax-Equivalent	Average Annual Total Returns*		Cumulative Total Returns*	
Yield	Yield	One Year	Life of Fund**	One Year	Life of Fund**
5.06 %	8.50 %	12.11 %	10.12 %	12.11 %	77.00 %

* Total returns include the effect of the $5.00 account closeout fee based on an average account size.

** From January 1, 1988 (commencement of operations).

The tax-equivalent yield is based on a 1994 combined effective federal and state income tax bracket of 40.48 %.

The following table shows the income and capital elements of the fund's total return from March 17, 1988 (commencement of operations) to November 30, 1993. The table compares the fund's return to the record of the Standard & Poor's 500 Composite Stock Price Index (S&P500 (Registered trademark)), the Dow Jones Industrial Average (DJIA), and the cost of living (measured by the Consumer Price Index, or CPI) over the same period. The S&P500 and DJIA comparisons are provided to show how the fund's total return compared to the return of a broad average of common stocks and a narrower set of stocks of major industrial companies, respectively, over the same period. Of course, since the fund invests in money market instruments, common stocks represent a different type of investment from the fund. Common stocks generally offer greater potential growth than the fund, but generally experience greater price volatility which means a greater potential for loss. In addition, common stocks generally provide lower income than a money market investment such as the fund. The S&P500 and DJIA are based on the prices of unmanaged groups of stocks and, unlike the fund's returns, their returns do not include the effect of paying brokerage commissions, spreads, or other costs of investing.

During the period from January 1, 1988 (commencement of operations) through November 30, 1993, a hypothetical investment of $10,000 in the fund would have grown to $ 17,702 , assuming all distributions were reinvested. This was a period of widely fluctuating interest rates and bond prices and should not be considered representative of the dividend income or capital gain or loss that could be realized from an investment in the fund today.

SPARTAN NEW JERSEY MUNICIPAL HIGH YIELD INDICES

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Period Ended November 30	Period Ended Investment	Value of Initial $10,000 Dividends	Value of Reinvested Capital Gains	Total Value	Total S&P500	DJIA	Cost of Living

</TABLE>

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1993	$1 1,760	$ 5,490	$ 451	$ 17,702	$ 22,727	$ 23,225	$ 12,634
1992	$11,240	$4,344	$204	$15,788	$20,642	$20,242	$12,305
1991	$11,020	$3,326	$95	$14,441	$17,419	$17,213	$11,941
1990	$10,620	$2,341	$92	$13,053	$14,473	$14,717	$11,594
1989	$10,650	$1,532	$0	$12,182	$14,996	$14,967	$10,910
1988*	$10,190	$704	$0	$10,894	$11,460	$11,269	$10,425

</TABLE>

* From January 1, 1988 (commencement of operations) through November 30, 1988.

EXPLANATORY NOTES: With an initial investment of $10,000 made on January 1, 1988, the net amount invested in fund shares was $10,000. The cost of the initial investment ($10,000), together with the aggregate cost of reinvested dividends and capital gain distributions for the period covered (their cash value at the time they were reinvested), amounted to $1 5,458 . If distributions had not been reinvested, the amount of distributions earned from the fund over time would have been smaller, and cash payments for the period would have amounted to $ 4,090 for income dividends and $ 320 for capital gain distributions. If FMR had not reimbursed certain fund expenses, the fund's returns would have been lower. The figures in the table do not include the effects of the fund's $5.00 account closeout fee or the .50% redemption fee (applicable only to shares held less than 180 days).

The fund's performance may be compared to the performance of other mutual funds in general, or to the performance of particular types of mutual funds. These comparisons may be expressed as mutual fund rankings prepared by Lipper Analytical Services, Inc. (Lipper), an independent service located in Summit, New Jersey that monitors the performance of mutual funds. Lipper generally ranks funds on the basis of total return, assuming reinvestment of distributions, but does not take sales charges or redemption fees into consideration, and is prepared without regard to tax consequences. Lipper may also rank funds based on yield. In addition to the mutual fund rankings, the fund's performance may be compared to mutual fund performance indices prepared by Lipper.

From time to time, the fund's performance also may be compared to other mutual funds tracked by financial or business publications and periodicals. For example, the fund may quote Morningstar, Inc. in its advertising materials. Morningstar, Inc. is a mutual fund rating service that rates mutual funds on the basis of risk - adjusted performance. Rankings that compare the performance of Fidelity funds to one another in appropriate categories over specific periods of time may also be quoted in advertising.

Fidelity may provide information designed to help individuals understand their investment goals and explore various financial strategies. For example, Fidelity's FundMatchSM Program includes a workbook describing general principles of investing, such as asset allocation, diversification, risk tolerance, and goal setting; a questionnaire designed to help create a personal financial profile; and an action plan offering investment alternatives. Materials may also include discussions of Fidelity's three asset allocation funds and other Fidelity funds, products, and services.

Ibbotson Associates of Chicago, Illinois (Ibbotson) provides historical returns of the capital markets in the United States, including common stocks, small capitalization stocks, long - term corporate bonds, intermediate - term government bonds, long - term government bonds, Treasury bills, the U.S. rate of inflation (based on the CPI), and combinations of various capital markets. The performance of these capital markets is based on the returns of different indices.

Fidelity funds may use the performance of these capital markets in capital markets in order to demonstrate general risk - versus - reward investment scenarios. Performance comparisons may also include the value of a hypothetical investment in any of these capital markets. The risks associated with the security types in any capital market may or may not correspond directly to those of the funds. Ibbotson calculates total returns in the same method as the funds. The funds may also compare performance to that of other compilations or indices that may be developed and made available in the future.

The fund may compare its performance or the performance of securities in which it may invest to averages published by IBC USA (Publications), Inc. of Ashland, Massachusetts. These averages assume reinvestment of distributions. The IBC/Donoghue's MONEY FUND AVERAGES(registered trademark)/ All Tax - Free, which is reported in the MONEY FUND REPORT(Registered trademark), covers over 325 tax - free money market funds. The BOND FUND REPORT AVERAGESTM/ Tax-Free Funds , which is reported in the BOND FUND REPORT(Registered trademark), covers over 340 tax-free bond funds. When evaluating comparisons to money market funds, investors should consider the relevant differences in investment objectives and policies. Specifically, money market funds invest in short-term, high-quality instruments and seek to maintain a stable $1.00 share price. The fund, however, invests in longer-term instruments and its share price changes daily in response to a variety of factors.

The fund may compare and contrast in advertising the relative advantages of investing in a mutual fund versus an individual municipal bond. Unlike tax-free mutual funds, individual municipal bonds offer a stated rate of interest and, if held to maturity, repayment of principal. Although some individual municipal bonds may offer a higher rate of return, they do not offer the reduced risk of a mutual fund that invests in many different securities. The initial investment requirements and sales charges of many tax-free mutual funds are lower than the purchase cost of individual municipal bonds, which are generally issued in $5,000 denominations and are subject to direct brokerage costs.

In advertising materials, Fidelity may reference or discuss its products and services, which may include: other Fidelity funds; retirement investing; brokerage products and services; the effects of periodic investment p l ans and dollar - cost averaging; saving for college; charitable giving; and the Fidelity credit card. In addition, Fidelity may quote financial or business publications and periodicals, including model portfolios or allocations, as they relate to fund management, investment philosophy, and investment techniques. Fidelity may also reprint, and use as advertising and sales literature, articles from Fidelity Focus, a quarterly magazine provided free of charge to Fidelity fund shareholders.

The fund may present its fund number, QuotronTM number, and CUSIP number, and discuss or quote its current portfolio manager.

The fund may advertise examples of the effects of periodic investment plans, including the principle of dollar cost averaging. In such a program, an investor invests a fixed dollar amount in a fund at periodic intervals, thereby purchasing fewer shares when prices are high and more shares when prices are low. While such a strategy does not assure a profit or guard against a loss in a declining market, the investor's average cost per share can be lower than if fixed numbers of shares are purchased at the same intervals. In evaluating such a plan, investors should consider their ability to continue purchasing shares through periods of low price levels.

As of November 30, 1993, FMR advised 40 tax-free funds with a total value of over $ 25 billion . According to the Investment Company Institute, assets in tax-exempt funds increased from $ 23.8 billion in 198 4 to approximately $ 95.1 billion at the end of 199 2 .

ADDITIONAL PURCHASE AND REDEMPTION INFORMATION

The fund is open for business and its net asset value per share (NAV) is calculated each day the New York Stock Exchange (NYSE) is open for trading. The NYSE has designated the following holiday closings for 1994: Washington's Birthday (observed), Good Friday, Memorial Day (observed), Independence Day, Labor Day, Thanksgiving Day, and Christmas Day (observed). Although FMR expects the same holiday schedule , with the addition of New Year's Day, to be observed in the future, the NYSE may modify its holiday schedule at any time.

FSC normally determines the fund's NAV as of the close of the NYSE (normally 4:00 p.m. Eastern time). However, NAV may be calculated earlier if trading on the NYSE is restricted or as permitted by the SEC. To the extent that portfolio securities are traded in other markets on days when the NYSE is closed, the fund's NAV may be affected on days when investors do not have access to the fund to purchase or redeem shares.

If the Trustees determine that existing conditions make cash payments undesirable, redemption payments may be made in whole or in part in securities or other property, valued for this purpose as they are valued in computing the fund's NAV. Shareholders receiving securities or other property on redemption may realize a gain or loss for tax purposes, and will incur any costs of sale, as well as the associated inconveniences.

Pursuant to Rule 11a-3 under the Investment Company Act of 1940 (the 1940 Act), the fund is required to give shareholders at least 60 days' notice prior to terminating or modifying its exchange privilege. Under the Rule, the 60-day notification requirement may be waived if (i) the only effect of a modification would be to reduce or eliminate an administrative fee, redemption fee, or deferred sales charge ordinarily payable at the time of an exchange, or (ii) the fund suspends the redemption of the shares to be exchanged as permitted under the 1940 Act or the rules and regulations thereunder, or the fund to be acquired suspends the sale of its shares because it is unable to invest amounts effectively in accordance with its investment objective and policies.

In the Prospectus, the fund has notified shareholders that it reserves the right at any time, without prior notice, to refuse exchange purchases by any person or group if, in FMR's judgment, the fund would be unable to invest effectively in accordance with its investment objective and policies, or would otherwise potentially be adversely affected.

DISTRIBUTIONS AND TAXES

DISTRIBUTIONS. If you request to have distributions mailed to you and the U.S. Postal Service cannot deliver your checks, or if your checks remain uncashed for six months, Fidelity may reinvest your distributions at the then-current NAV. All subsequent distributions will then be reinvested until you provide Fidelity with alternate instructions.

DIVIDENDS. To the extent that the fund's income is derived from federally tax-exempt interest, the daily dividends declared by the fund are also federally tax-exempt. The fund will send each shareholder a notice in January describing the tax status of dividends and capital gain distributions (if any) for the prior year.

Shareholders are required to report tax-exempt income on their federal tax returns. Shareholders who earn other income, such as social security benefits, may be subject to federal income tax on up to one half of such benefits to the extent that their income, including tax-exempt income, exceeds certain base amounts.

The fund purchases municipal obligations based on opinions of bond counsel regarding the federal income tax status of the obligations. These opinions will generally be based upon covenants by the issuers regarding continuing compliance with federal tax requirements. If the issuer of an obligation fails to comply with its covenants at any time, interest on the obligation could become federally taxable retroactive to the date the obligation was issued.

As a result of t he Tax Reform Act of 1986, interest on certain "private activity" bonds (referred to as "qualified bonds" in the Internal Revenue Code) is subject to the federal alternative minimum tax (AMT), although the interest continues to be excludable from gross income for other tax purposes. Interest from private activity securities will be considered tax-exempt for purposes of the fund's policies of investing so that at least 80% of its income is free from federal income tax. Interest from private activity securities is a tax-preference item for the purposes of determining whether a taxpayer is subject to the AMT and the amount of AMT to be paid, if any. Private activity securities issued after August 7, 1986 to benefit a private or industrial user or to finance a private facility are affected by this rule.

Corporate investors should note that a tax preference item for purposes of the corporate AMT is 75% of the amount by which adjusted current earnings (which includes tax-exempt interest) exceeds alternative minimum taxable income of the corporation. If a shareholder receives an exempt-interest dividend and sells shares at a loss after holding them for a period of six months or less, the loss will be disallowed to the extent of the amount of exempt-interest dividend.

CAPITAL GAIN DISTRIBUTIONS. Long-term capital gains earned by the fund on the sale of securities and distributed to shareholders are federally taxable as long-term capital gains, regardless of the length of time that shareholders have held their shares. If a shareholder receives a long-term capital gain distribution on shares of the fund and such shares are held six months or less and are sold at a loss, the portion of the loss equal to the amount of the long-term capital gain distribution will be considered a long-term loss for tax purposes.

A portion of the gain on bonds purchased at a discount after April 30, 1993 and short-term capital gains distributed by the fund are federally taxable to shareholders as dividends, not as capital gains. Distributions from short-term capital gains do not qualify for the dividends-received deduction. Dividend distributions resulting from a recharacterization of gain from the sale of bonds purchased at a discount after April 30, 1993 are not considered income for purposes of the fund's policy of investing so that at least 80% of its income is free from federal income tax.

NEW JERSEY TAX CONSEQUENCES. A New Jersey statute requires that at least 80% of the aggregate principal amount of the fund's total investments be invested in state-tax-free securities.

The fund's exempt-interest dividends, to the extent attributable to interest from securities the interest on which is exempt from New Jersey Gross Income Tax, also will be exempt from the New Jersey Gross Income Tax. Distributions attributable to gains from securities the interest on which is exempt from New Jersey Gross Income Tax also will be exempt from the New Jersey Gross Income Tax. An investment in or distributions from investment interest and capital gains of the fund, including exempt-interest dividends, will be subject to the New Jersey Corporation Business (Franchise) Tax and the New Jersey Corporation Income Tax.

TAX STATUS OF THE FUND. The fund has qualified and intends to continue to qualify each year as a "regulated investment company" for tax purposes so that it will not be liable for federal tax on income and capital gains distributed to shareholders. In order to qualify as a regulated investment company and avoid being subject to federal income or excise taxes at the fund level, the fund intends to distribute all of its net investment income and net realized capital gains (if any) within each calendar year as well as on a fiscal year basis. The fund also intends to comply with other tax rules applicable to regulated investment companies, including a requirement that capital gains from the sale of securities held less than three months constitute less than 30% of the fund's gross income for each fiscal year. The fund is treated as a separate entity from the other portfolios of Fidelity Court Street Trust for tax purposes.

OTHER TAX INFORMATION. The information above is only a summary of some of the tax considerations generally affecting the fund and its shareholders, and no attempt has been made to discuss individual tax consequences. Investors should consult their tax advisers to determine whether the fund is suitable to their particular tax situation.

FMR

FMR is a wholly owned subsidiary of FMR Corp., a parent company organized in 1972. At present, the principal operating activities of FMR Corp. are those conducted by three of its divisions as follows: FSC, which is the transfer and shareholder servicing agent for certain of the funds advised by FMR; Fidelity Investments Institutional Operations Company, which performs shareholder servicing functions for certain institutional customers; and Fidelity Investments Retail Marketing Company, which provides marketing services to various companies within the Fidelity organization.

Several affiliates of FMR are also engaged in the investment advisory business. Fidelity Management Trust Company provides trustee, investment advisory, and administrative services to retirement plans and corporate employee benefit accounts. Fidelity Management & Research (U.K.) Inc. (FMR U.K.) and Fidelity Management & Research (Far East) Inc. (FMR Far East), both wholly owned subsidiaries of FMR formed in 1986, supply investment research, and may supply portfolio management services, to FMR in connection with certain funds advised by FMR. Analysts employed by FMR, FMR U.K., and FMR Far East research and visit thousands of domestic and foreign companies each year. FMR Texas Inc., a wholly owned subsidiary of FMR formed in 1989, supplies portfolio management and research services in connection with certain money market funds advised by FMR.

TRUSTEES AND OFFICERS

The Trustees and executive officers of the trust are listed below. Except as indicated, each individual has held the office shown or other offices in the same company for the last five years. All persons named as Trustees also serve in similar capacities for other funds advised by FMR. Unless otherwise noted, the business address of each Trustee and officer is 82 Devonshire Street, Boston, Massachusetts 02109, which is also the address of FMR. Those Trustees who are "interested persons" (as defined in the Investment Company Act of 1940) by virtue of their affiliation with either the trust or FMR are indicated by an asterisk (*).

*EDWARD C. JOHNSON 3d, Trustee and President, is Chairman, Chief Executive Officer and a Director of FMR Corp.; a Director and Chairman of the Board and of the Executive Committee of FMR; Chairman and a Director of FMR Texas Inc. (1989), Fidelity Management & Research (U.K.) Inc., and Fidelity Management & Research (Far East) Inc.

*J. GARY BURKHEAD, Trustee and Senior Vice President, is President of FMR; and President and a Director of FMR Texas Inc. (1989), Fidelity Management & Research (U.K.) Inc. and Fidelity Management & Research (Far East) Inc.

RICHARD J. FLYNN, 77 Fiske Hill, Sturbridge, MA, Trustee, is a financial consultant. Prior to September 1986, Mr. Flynn was Vice Chairman and a Director of the Norton Company (manufacturer of industrial devices). He is currently a Director of Mechanics Bank and a Trustee of College of the Holy Cross and Old Sturbridge Village, Inc.

E. BRADLEY JONES, 3881-2 Lander Road, Chagrin Falls, OH, Trustee (1990). Prior to his retirement in 1984, Mr. Jones was Chairman and Chief Executive Officer of LTV Steel Company. Prior to May 1990, he was Director of National City Corporation (a bank holding company) and National City Bank of Cleveland. He is a Director of TRW Inc. (original equipment and replacement products), Clevelan d- Cliffs Inc (mining), NACCO Industries, Inc. (mining and marketing), Consolidated Rail Corporation, Birmingham Steel Corporation (1988), Hyster - Yale Materials Handling, Inc. (1989), and RPM, Inc. (manufacturer of chemical products, 1990). In addition, he serves as a Trustee of First Union Real Estate Investments; Chairman of the Board of Trustees and a member of the Executive Committee of the Cleveland Clinic Foundation, a Trustee and a member of the Executive Committee of University School (Cleveland), and a Trustee of Cleveland Clinic Florida.

DONALD J. KIRK, 680 Steamboat Road, Apartment #1 - North, Greenwich, CT, Trustee, is a Professor at Columbia University Graduate School of Business and a financial consultant. Prior to 1987, he was Chairman of the Financial Accounting Standards Board. Mr. Kirk is a Director of General Re Corporation (reinsurance) and Valuation Research Corp. (appraisals and valuations, 1993). In addition, he serves as a Vice Chairman of the Board of Directors of the National Arts Stabilization Fund and Vice Chairman of the Board of Trustees of the Greenwich Hospital Association (1989) .

*PETER S. LYNCH, Trustee (1990) is Vice Chairman of FMR (1992). Prior to his retirement on May 31, 1990, he was a Director of FMR (1989) and Executive Vice President of FMR (a position he held until March 31, 1991); Vice President of Fidelity Magellan Fund and FMR Growth Group Leader; and Managing Director of FMR Corp. Mr. Lynch was also Vice President of

Fidelity Investments Corporate Services (1991-1992). He is a Director of W.R. Grace & Co. (chemicals, 1989) and Morrison Knudsen Corporation (engineering and construction, 1988). In addition, he serves as a Trustee of Boston College, Massachusetts Eye & Ear Infirmary, Historic Deerfield (1989) and Society for the Preservation of New England Antiquities, and as an Overseer of the Museum of Fine Arts of Boston (1990).

GERALD C. McDONOUGH, 135 Aspenwood Drive, Cleveland, OH, Trustee (1989), is Chairman of G.M. Management Group (strategic advisory services). Prior to his retirement in July 1988, he was Chairman and Chief Executive Officer of Leaseway Transportation Corp. (physical distribution services). Mr. McDonough is a Director of ACME - Cleveland Corp. (metal working, telecommunications and electronic products), Brush - Wellman Inc. (metal refining), York International Corp. (air conditioning and refrigeration, 1989), and Commercial Intertech Corp. (water treatment equipment, 1992) , and Associated Estates Realty Corporation (a real estate investment trust, 1993).

EDWARD H. MALONE, 5601 Turtle Bay Drive #2104, Naples, FL, Trustee (1988). Prior to his retirement in 1985, Mr. Malone was Chairman, General Electric Investment Corporation and a Vice President of General Electric Company. He is a Director of Allegheny Power Systems, Inc. (electric utility), General Re Corporation (reinsurance) and Mattel Inc. (toy manufacturer). He is also a Trustee of Rensselaer Polytechnic Institute and of Corporate Property Investors and a member of the Advisory Boards of Butler Capital Corporation Funds and Warburg, Pincus Partnership Funds.

THOMAS R. WILLIAMS, 21st Floor, 191 Peachtree Street, N.E., Atlanta, GA, Trustee (1988), is President of The Wales Group, Inc. (management and financial advisory services). Prior to retiring in 1987, Mr. Williams served as Chairman of the Board of First Wachovia Corporation (bank holding company), and Chairman and Chief Executive Officer of The First National Bank of Atlanta and First Atlanta Corporation (bank holding company). He is currently a Director of BellSouth Corporation (telecommunications), ConAgra, Inc. (agricultural products), Fisher Business Systems, Inc. (computer software, 1988), Georgia Power Company (electric utility), Gerber Alley & Associates, Inc. (computer software), National Life Insurance Company of Vermont, American Software, Inc. (1989), and AppleSouth, Inc. (restaurants, 1992).

GARY L. FRENCH, Treasurer (1991). Prior to becoming Treasurer of the Fidelity funds, Mr. French was Senior Vice President, Fund Accounting - Fidelity Accounting & Custody Services Co. (1991); Vice President, Fund Accounting - Fidelity Accounting & Custody Services Co. (1990); and Senior Vice President, Chief Financial and Operations Officer - Huntington Advisers, Inc. (1985-1990).

ARTHUR S. LORING, Secretary, is Senior Vice President and General Counsel of FMR, Vice President - Legal of FMR Corp., and Vice President and Clerk of FDC.

DAVID MURPHY, Vice President of Spartan New Jersey Municipal High Yield Portfolio (1992) and other funds advised by FMR, is an employee of FMR.

Under a retirement program that became effective on November 1, 1989, Trustee s , upon reaching age 72, become eligible to participate in a defined benefit retirement program under which they receive payments during their lifetime from the fund based on their basic trustee fees and length of service. Currently, Messrs. Robert L. Johnson, William R. Spaulding, Bertram H. Witham, and David L. Yunich participate in the program.

As of November 30, 1993, the Trustees and officers of the fund owned in the aggregate less than 1% of the fund's outstanding shares.

MANAGEMENT CONTRACT

The fund employs FMR to furnish investment advisory and other services. Under FMR's management contract with the fund, FMR acts as investment adviser and, subject to the supervision of the Board of Trustees, directs the investments of the fund in accordance with its investment objective, policies, and limitations. FMR also provides the fund with all necessary office facilities and personnel for servicing the fund's investments, and compensates all officers of the trust, all Trustees who are "interested persons" of the trust or FMR, and all personnel of the trust or FMR performing services relating to research, statistical, and investment activities. In addition, FMR or its affiliates, subject to the supervision of the Board of Trustees, provide the management and administrative services necessary for the operation of the fund. These services include providing facilities for maintaining the fund's organization; supervising relations with custodians, transfer and pricing agents, accountants, underwriters, and other persons dealing with the fund; preparing all general shareholder communications and conducting shareholder relations; maintaining the fund's records and the registration of the fund's shares under federal and state law; developing management and shareholder services for the fund; and furnishing reports, evaluations, and analyses on a variety of subjects to the Board of Trustees.

FMR is responsible for the payment of all expenses of the fund with certain exceptions. Specific expenses payable by FMR include, without limitation, the fees and expenses of registering and qualifying the trust, the fund, and its shares for distribution under federal and state securities laws; expenses of typesetting for printing the Prospectus and Statement of Additional Information; custodian charges; audit and legal expenses; insurance expense; association membership dues; and the expenses of mailing reports to shareholders, shareholder meetings, and proxy solicitations. FMR also provides for transfer agent and dividend disbursing services and portfolio and general accounting record maintenance through FSC.

FMR pays all other expenses of the fund with the following exceptions: fees and expenses of the Trustees who are not "interested persons" of the trust or of FMR (the non-interested Trustees); interest on borrowings; taxes; brokerage commissions (if any); and such nonrecurring expenses as may arise, including costs of any litigation to which the fund may be a party, and any obligation it may have to indemnify the officers and Trustees with respect to litigation.

For the services of FMR under the contract, the fund pays FMR a monthly management fee at the annual rate of .55% of the fund's average net assets throughout the month. FMR reduces its fee by an amount equal to the fees and expenses of the non-interested Trustees.

FMR is the fund's manager pursuant to a management contract dated January 1, 1992, which was approved by the fund's shareholders on December 11, 1991. Under the fund's former management contract (dated March 1, 1989), FMR was compensated for managing the fund's investments and business affairs. The fund was responsible for paying expenses for maintaining shareholder records, furnishing shareholder statements and reports, and other services now paid for by FMR under its current contract with the fund.

FMR may, from time to time, voluntarily reimburse all or a portion of the fund's operating expenses (excluding interest, taxes, brokerage commissions, and extraordinary expenses). The table below outlines expense limitations (as a percentage of the fund's average net assets) in effect since December 1, 1989. Also indicated below are the gross management fees incurred by the fund and the amounts reimbursed by FMR for fiscal 1993, 1992, and 1991.

FROM	TO	EXPENSE LIMITATION
November 1, 1991	September 30, 1992	.50%
August 1, 1991	October 31, 1991	.45%
January 1, 1991	July 31, 1991	.55%
December 1, 1989	December 31, 1990	.65%

Year	Management Fee Before Reimbursement*	Amount of Reimbursements*
1993	$ 2,193,155	$ 0
1992	$1,757,819	$158,991
1991	$1,036,111	$272,881

To defray shareholder service costs, FMR or its affiliates also collect the fund's $5.00 exchange fee, $5.00 account closeout fee, and $5.00 fee for wire purchases and redemptions. The fund's .50% redemption fee is retained by the fund; it is not collected by FMR. Shareholder transaction fees and charges collected for fiscal 1993, 1992 and 1991 are indicated in the table below.

Period Ended 11/30	Exchange Fees	Closeout Fees	Wire Fees
1993	$ 7,250	$ 1,685	$ 810
1992	$8,840	$1,515	$1,150
1991	$2,135	$ 705	$ 270

DISTRIBUTION AND SERVICE PLAN

The fund has adopted a distribution and service plan (the plan) under Rule 12b-1 of the Investment Company Act of 1940 (the Rule). The Rule provides in substance that a mutual fund may not engage directly or indirectly in financing any activity that is primarily intended to result in the sale of shares of the fund except pursuant to a plan adopted by the fund under the Rule. The Board of Trustees has adopted the plan to allow the fund and FMR to incur certain expenses that might be considered to constitute indirect payment by the fund of distribution expenses. Under the plan , if the payment by the fund to FMR of management fees should be deemed to be indirect financing by the fund of the distribution of its shares, such payment is authorized by the plan .

The plan specifically recognizes that FMR, either directly or through FDC, may use its management fee revenues, past profits, or other resources, without limitation, to pay promotional and administrative expenses in connection with the offer and sale of shares of the fund. In addition, the plan provides that FMR may use its resources, including its management fee revenues, to make payments to third parties that provide assistance in selling the fund's shares, or to third parties, including banks, that render shareholder support services. No third party payments were made in fiscal 1993.

The fund's plan has been approved by the Trustees. As required by the Rule, the Trustees carefully considered all pertinent factors relating to the implementation of the plan prior to its approval, and have determined that there is a reasonable likelihood that the plan will benefit the fund and its shareholders. In particular, the Trustees noted that the plan does not authorize payments by the fund other than those made to FMR under its management contract with the fund. To the extent that the plan gives FMR and FDC greater flexibility in connection with the distribution of shares of the fund, additional sales of the fund's shares may result. Additionally, certain shareholder support services may be provided more effectively under the plan by local entities with whom shareholders have other relationships. The plan was approved by the fund's shareholders on November 16, 1988.

The Glass-Steagall Act generally prohibits federally and state chartered or supervised banks from engaging in the business of underwriting, selling, or distributing securities. Although the scope of this prohibition under the Glass-Steagall Act has not been clearly defined by the courts or appropriate regulatory agencies, FDC believes that the Glass-Steagall Act should not preclude a bank from performing shareholder support services, or servicing and recordkeeping functions. FDC intends to engage banks only to perform such functions. However, changes in federal or state statutes and regulations pertaining to the permissible activities of banks and their affiliates or subsidiaries, as well as further judicial or administrative decisions or interpretations, could prevent a bank from continuing to perform all or a part of the contemplated services. If a bank were prohibited from so acting, the Trustees would consider what actions, if any, would be necessary to continue to provide efficient and effective shareholder services. In such event, changes in the operation of the fund might occur, including possible termination of any automatic investment or redemption or other services then provided by the bank. It is not expected that shareholders would suffer any adverse financial consequences as a result of any of these occurrences. The fund may execute portfolio transactions with and purchase securities issued by depository institutions that receive payments under the plan . No preference will be shown in the selection of investments for the instruments of such depository institutions. In addition, state securities laws on this issue may differ from the interpretations of federal law expressed herein, and banks and other financial institutions may be required to register as dealers pursuant to state law.

INTEREST OF FMR AFFILIATES

United Missouri is the fund's custodian and transfer agent. United Missouri has entered into a sub-contract with FSC, an affiliate of FMR, under the terms of which FSC performs the processing activities associated with providing transfer agent and shareholder servicing functions for the fund. United Missouri has an additional sub-contract with FSC, pursuant to which FSC performs the calculations necessary to determine the fund's net asset value per share and dividends and maintains the fund's accounting records. United Missouri is entitled to reimbursement for fees paid to FSC from FMR, which must bear these costs pursuant to its management contract with the fund.

Prior to November 8, 1991, Shawmut Bank, N.A. (the Bank) was the custodian and transfer agent for the fund. Under the contract, the Bank paid an annual fee of $22.19 per basic retail account with a balance of $2,000 or more, $7.39 per basic retail account with a balance of less than $2,000, and a supplemental activity charge of $5.28 for monetary transactions. After June 1, 1990, these fees and charges were subject to annual cost escalation based on changes in postal rates and changes in wage and price levels as, measured by The National Consumer Price Index for Urban Areas. With respect to certain institutional client master accounts, the Bank paid FSC a per-account fee and a monetary transaction fee of $65 and $14, respectively, or $60 and $12, respectively, depending on the nature of services provided.

Under the prior contract, FSC paid out-of-pocket expenses associated with providing transfer agent services. In addition, FSC bore the expense of typesetting, printing, and mailing prospectuses, statements of additional information, reports, notices, and statements to shareholders. The transfer agent fees paid to FSC for the fiscal year ended November 30, 1991 amounted to $256,723.

The Bank had an additional sub-contract with FSC, pursuant to which FSC performed the calculations necessary to determine the fund's net asset value per share and dividends and maintained the fund's accounting records. Prior to July 1, 1991, the annual fee for these pricing and bookkeeping services was based on two schedules, one pertaining to the fund's average net assets, and one pertaining to the type and number of transactions the fund made. The fee rates in effect as of July 1, 1991 were based on the fund's average net assets, specifically, .04% for the first $500 million of average net assets and .02% for average net assets in excess of $500 million, and the fee was limited to a minimum of $45,000 and a maximum of $750,000 per year. For fiscal 1991, the fees paid to FSC for pricing and bookkeeping services (including out-of-pocket expenses) were $119,950.

The fund has a distribution agreement with FDC, a Massachusetts corporation organized on July 18, 1960. FDC is a broker-dealer registered under the Securities Exchange Act of 1934 and is a member of the National Association of Securities Dealers, Inc. The distribution agreement calls for FDC to use all reasonable efforts, consistent with its other business, to secure purchasers for shares of the fund, which are continuously offered at net asset value. Promotional and administrative expenses in connection with the offer and sale of shares are paid by FMR.

DESCRIPTION OF THE TRUST

TRUST ORGANIZATION. Spartan New Jersey Municipal High Yield Portfolio is a portfolio of Fidelity Court Street Trust (the trust), an open-end management investment company originally organized as a Massachusetts business trust on April 21, 1977. On August 1, 1987 the trust's name was changed from Fidelity High Yield Municipals to Fidelity Court Street Trust.

Currently, there are four funds of the trust: Fidelity High Yield Tax-Free Portfolio; Spartan Connecticut Municipal High Yield Portfolio; Spartan New Jersey Municipal High Yield Portfolio; and Spartan Florida Municipal Income Portfolio. The Declaration of Trust permits the Trustees to create additional funds.

In the event that FMR ceases to be the investment adviser to the trust or a fund, the right of the trust or fund to use the identifying names "Fidelity" and "Spartan" may be withdrawn.

The assets of the trust received for the issue or sale of shares of each fund and all income, earnings, profits, and proceeds thereof, subject only to the rights of creditors, are especially allocated to such fund, and constitute the underlying assets of such fund. The underlying assets of each fund are segregated on the books of account, and are to be charged with the liabilities with respect to such fund and with a share of the general expenses of the trust. Expenses with respect to the trust are to be allocated in proportion to the asset value of the respective funds, except where allocations of direct expense can otherwise be fairly made. The officers of the trust, subject to the general supervision of the Board of Trustees, have the power to determine which expenses are allocable to a given fund, or which are general or allocable to all of the funds. In the event of the dissolution or liquidation of the trust, shareholders of each fund are entitled to receive as a class the underlying assets of such fund available for distribution.

SHAREHOLDER AND TRUSTEE LIABILITY. The trust is an entity of the type commonly known as a "Massachusetts business trust." Under Massachusetts law, shareholders of such a trust may, under certain circumstances, be held personally liable for the obligations of the trust. The Declaration of Trust provides that the trust shall not have any claim against shareholders except for the payment of the purchase price of shares and requires that each agreement, obligation, or instrument entered into or executed by the trust or the Trustees include a provision limiting the obligations created thereby to the trust and its assets. The Declaration of Trust provides for indemnification out of each fund's property of any shareholder held personally liable for the obligations of the fund. The Declaration of Trust also provides that each fund shall, upon request, assume the defense of any claim made against any shareholder for any act or obligation of the fund and satisfy any judgment thereon. Thus, the risk of a shareholder incurring financial loss on account of shareholder liability is limited to circumstances in which a fund itself would be unable to meet its obligations. FMR believes that, in view of the above, the risk of personal liability to shareholders is remote.

The Declaration of Trust further provides that the Trustees, if they have exercised reasonable care, will not be liable for any neglect or wrongdoing, but nothing in the Declaration of Trust protects a Trustee against any liability to which he would otherwise be subject by reason of willful misfeasance, bad faith, gross negligence, or reckless disregard of the duties involved in the conduct of his office.

VOTING RIGHTS. Each fund's capital consists of shares of beneficial interest. The shares have no preemptive or conversion rights; the voting and dividend rights, the right of redemption, and the privilege of exchange are described in the Prospectus. Shares are fully paid and nonassessable, except as set forth under the heading "Shareholder and Trustee Liability" above. Shareholders representing 10% or more of the trust or a fund may, as set forth in the Declaration of Trust, call meetings of the trust or a fund for any purpose related to the trust or fund, as the case may be, including, in the case of a meeting of the entire trust, the purpose of voting on removal of one or more Trustees. The trust or any fund may be terminated upon the sale of its assets to another open-end management investment company, or upon liquidation and distribution of its assets, if approved by vote of the holders of a majority of the outstanding shares of the trust or the fund. If not so terminated, the trust and its funds will continue indefinitely.

CUSTODIAN. United Missouri Bank, N.A., 1010 Grand Avenue, Kansas City, Missouri 64106, is custodian of the assets of the fund. The custodian is responsible for the safekeeping of the fund's assets and the appointment of subcustodian banks and clearing agencies. The custodian takes no part in determining the investment policies of the fund or in deciding which securities are purchased or sold by the fund. The fund may, however, invest in obligations of the custodian and may purchase securities from or sell securities to the custodian.

FMR, its officers and directors, its affiliated companies, and the trust's Trustees may from time to time have transactions with various banks, including banks serving as custodians for certain of the funds advised by FMR. Transactions that have occurred to date include mortgages and personal and general business loans. In the judgment of FMR, the terms and conditions of those transactions were not influenced by existing or potential custodial or other fund relationships.

AUDITOR. Coopers & Lybrand , One Post Office Square, Boston, Massachusetts serves as the trust's independent accountant. The auditor examines financial statements for the fund and provides other audit, tax, and related services.

FINANCIAL STATEMENTS

The fund's Annual Report for the fiscal year ended November 30, 1993 is a separate report supplied with this Statement of Additional Information and is incorporated herein by reference.

APPENDIX
DOLLAR-WEIGHTED AVERAGE MATURITY is derived by multiplying the value of each investment by the number of days remaining to its maturity, adding these calculations, and then dividing the total by the value of the fund's portfolio. An obligation ' s maturity is typically determined on a stated final maturity basis, although there are some exceptions to this rule.

For example, if it is p robable that the issuer of an instrument will take advantage of a maturity-shortening device, such as a call, refunding, or redemption provision, the date on which the instrument will probably be called, refunded, or redeemed may be considered to be its maturity date. When a municipal bond issuer has committed to call an issue of bonds and has established an independent escrow account that is sufficient to, and is pledged to, refund that issue, the number of days to maturity for the prerefunded bond is considered to be the number of days to the announced call date of the bonds.

The descriptions that follow are examples of eligible ratings for the fund. The fund may, however, consider the ratings for other types of investments and the ratings assigned by other rating organizations when determining the eligibility of a particular investment.

DESCRIPTION OF MOODY'S INVESTORS SERVICE, INC.'S RATINGS OF STATE AND MUNICIPAL NOTES:

Moody's ratings for state and municipal and other short-term obligations will be designated Moody's Investment Grade (MIG, or VMIG for variable rate obligations). This distinction is in recognition of the difference between short-term credit risk and long-term credit risk. Factors affecting the liquidity of the borrower and short-term cyclical elements are critical in short-term ratings, while other factors of major importance in bond risk, long-term secular trends for example, may be less important in the short run. Symbols used will be as follows:

MIG-1/VMIG-1 - This designation denotes best quality. There is present strong protection by established cash flows, superior liquidity support or demonstrated broad-based access to the market for refinancing.

MIG-2/VMIG-2 - This designation denotes high quality. Margins of protection are ample although not so large as in the preceding group.

MIG-3/VMIG-3 - This designation denotes favorable quality, with all security elements accounted for but there is lacking the undeniable strength of the preceding grades. Liquidity and cash flow protection may be narrow and market access for refinancing is likely to be less well established.

MIG-4/VMIG-4 - This designation denotes adequate quality protection commonly regarded as required of an investment security is present and, although not distinctly or predominantly speculative, there is specific risk.

DESCRIPTION OF STANDARD & POOR'S CORPORATION'S RATINGS OF STATE AND MUNICIPAL NOTES:

SP-1 - Very strong or strong capacity to pay principal and interest. Those issues determined to possess overwhelming safety characteristics will be given a plus (+) designation.

SP-2 - Satisfactory capacity to pay principal and interest.

SP-3 - Speculative capacity to pay principal and interest.

DESCRIPTION OF MOODY'S INVESTORS SERVICE, INC.'S MUNICIPAL BOND RATINGS:

AAA - Bonds rated Aaa are judged to be of the best quality. They carry the smallest degree of investment risk and are generally referred to as "gilt edge." Interest payments are protected by a large or by an exceptionally stable margin and principal is secure. While the various protective elements are likely to change, such changes as can be visualized are most unlikely to impair the fundamentally strong position of such issues.

AA - Bonds rated Aa are judged to be of high quality by all standards. Together with Aaa group they comprise what are generally known as high-grade bonds. They are rated lower than the best bonds because margins of protection may not be as large as in Aaa securities or fluctuation of protective elements may be of greater amplitude or there may be other elements present which make the long term risks appear somewhat larger than in Aaa securities.

A - Bonds rated A possess many favorable investment attributes and are to be considered as upper-medium-grade obligations. Factors giving security to principal and interest are considered adequate but elements may be present which suggest a susceptibility to impairment sometime in the future.

BAA - Bonds rated Baa are considered as medium grade obligations, i.e, . they are neither highly protected nor poorly secured. Interest payments and principal security appear adequate for the present but certain protective elements may be lacking or may be characteristically unreliable over any great length of time. Such bonds lack outstanding investment characteristics and in fact have speculative characteristics as well.

BA - Bonds rated Ba are judged to have speculative elements. Their future cannot be considered as well assured. Often the protection of interest and principal payments may be very moderate and thereby not well safeguarded during both good and bad times in the future. Uncertainty of position characterizes bonds in this class.

B - Bonds rated B generally lack characteristics of a desirable investment. Assurance of interest and principal payments of or maintenance of other terms of the contract over any long period of time may be small.

CAA - Bonds rated Caa are of poor standing. Such issues may be in default or there may be present elements of danger with respect to principal or

interest.
Those bonds in the Aa, A, Baa, Ba, and B groups which Moody's believes possess the strongest investment attributes are designated by the symbols Aa1, A1, Baa1, Ba1, and B1.

DESCRIPTION OF STANDARD & POOR'S CORPORATION'S MUNICIPAL BOND RATINGS:

AAA - Debt rated AAA has the highest rating assigned by Standard & Poor's to a debt obligation. Capacity to pay interest and repay principal is extremely strong.

AA - Debt rated AA has a very strong capacity to pay interest and repay principal and differs from the highest-rated debt issues only in small degree.

A - Debt rated A has a strong capacity to pay interest and repay principal, although it is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions.

BBB - Debt rated BBB is regarded as having an adequate capacity to pay interest and repay principal. Whereas it normally exhibits adequate protection parameters, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity to pay interest and repay principal for debt in this category than in higher-rated categories.

BB - Debt rated BB has less near-term vulnerability to default than other speculative issues. However, it faces major ongoing uncertainties or exposure to adverse business, financial, or economic conditions which could lead to inadequate capacity to meet timely interest and principal payments.

B - Debt rated B has a greater vulnerability to default but currently has the capacity to meet interest payments and principal repayments. Adverse business, financial, or economic conditions will likely impair capacity or willingness to pay interest and repay principal. The B rating category is also used for debt subordinated to senior debt that is assigned an actual or implied BB or BB- rating.

CCC - Debt rated CCC has a currently identifiable vulnerability to default, and is dependent upon favorable business, financial, and economic conditions to meet timely payment of interest and repayment of principal. In the event of adverse business, financial, or economic conditions, it is not likely to have the capacity to pay interest and repay principal.

The ratings from AA to CCC may be modified by the addition of a plus or minus to show relative standing within the major rating categories.

Fidelity Court Street Trust:
Spartan Florida Municipal Income Portfolio
Fidelity Court Street Trust II:
Spartan Florida Municipal Money Market Portfolio

CROSS REFERENCE SHEET
FORM N-1A

ITEM NUMBER   PROSPECTUS SECTION

<TABLE>
<CAPTION>

<S>	<C>	<C>	<C>
1		....	Cover Page
2	a	....	Expenses
	b, c	....	Contents; The Funds at a Glance; Who May Want to Invest
3	a	....	Financial History
	b	....	*
	c	....	Performance
4	a	i............................	Charter
		ii..........................	The Funds at a Glance; Investment Principles; Securities and Investment Practices
	b	....	Securities and Investment Practices
	c	....	Who May Want to Invest; Investment Principles; Securities and Investment Practices
5	a	....	Charter
	b	i............................	Doing Business with Fidelity; Charter
		ii..........................	Charter; Breakdown of Expenses
		iii.........................	Expenses; Breakdown of Expenses
	c, d	....	Charter; Breakdown of Expenses; Cover Page; FMR and Its Affiliates

	e		FMR and its Affiliates
	f		Expenses
	g		*
5			Performance
6	a	i	Charter
		ii	How to Buy Shares; How to Sell Shares; Transaction Details; Exchange Restrictions
		iii	*
	b		*
	c		Exchange Restrictions
	d		*
	e		Doing Business with Fidelity; How to Buy Shares; How to Sell Shares; Investor Services
	f, g		Dividends, Capital Gains, and Taxes
7	a		Charter; Cover Page
	b		How to Buy Shares; Transaction Details
	c		*
	d		How to Buy Shares
	e		*
	f		Breakdown of Expenses
8			How to Sell Shares; Investor Services; Transaction Details; Exchange Restrictions
9			*

</TABLE>

* Not Applicable

Fidelity Court Street Trust:
Spartan Florida Municipal Income Portfolio
Fidelity Court Street Trust II:
Spartan Florida Municipal Money Market Portfolio

CROSS REFERENCE SHEET
(CONTINUED)
FORM N-1A

ITEM NUMBER   STATEMENT OF ADDITIONAL INFORMATION SECTION

<TABLE>
<CAPTION>

<S>	<C>	<C>
10, 11		Cover Page
12		*
13	a - c	Investment Policies and Limitations
	d	*
14	a - c	Trustees and Officers
15	a, b	*
	c	Trustees and Officers
16	a i	FMR
	ii	Trustees and Officers
	iii	Management Contracts
	b	Management Contracts

</TABLE>

* Not Applicable

Please read this prospectus before investing, and keep it on file for future reference. It contains important information, including how each fund invests and the services available to shareholders.

A Statement of Additional Information dated January 14, 1994 has been filed with the Securities and Exchange Commission, and is incorporated herein by reference (is legally considered a part of this prospectus). The Statement of Additional Information is available free upon request by calling Fidelity at 1-800-544-8888.

Investments in the money market fund are neither insured nor guaranteed by the U.S. government, and there can be no assurance that the fund will maintain a stable $1.00 share price.

Mutual fund shares are not deposits or obligations of, or endorsed or guaranteed by, any bank, nor are they federally insured or otherwise protected by the FDIC, the Federal Reserve Board, or any other agency.

The funds seek a high level of current income free from federal income tax and the Florida intangible tax. Spartan Florida Municipal Money Market invests in high-quality, short-term instruments and is designed to maintain a stable $1.00 share price. Spartan Florida Municipal Income invests in a broader range of securities.

SPARTAN(Registered trademark)
FLORIDA MUNICIPAL
FUNDS
PROSPECTUS
JANUARY 14, 1994

LIKE ALL MUTUAL FUNDS, THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION, NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS

PROSPECTUS. ANY
REPRESENTATION TO
THE CONTRARY IS A
CRIMINAL OFFENSE.
NJT-pro-194
(Registered trademark)
82 Devonshire Street, Boston, MA 02109

CONTENTS

<r>KEY FACTS</r>

THE FUNDS AT A GLANCE
MANAGEMENT: Fidelity Management & Research Company (FMR) is the management arm of Fidelity Investments, which was established in 1946 and is now America's largest mutual fund manager. FMR Texas Inc. (FTX), a subsidiary of FMR, chooses investments for Spartan New Jersey Municipal High Yield.
As with any mutual fund, there is no assurance that a fund will achieve its goal.
SPARTAN NJ HIGH YIELD
GOAL: High current tax-free income, and exemption from the Florida intangible tax while maintaining a stable share price .
STRATEGY: Invests mainly in high-quality, short-term Florida municipal securities.
SIZE: As of November 30, 199 3 , the fund had over $ 306 million in assets.
SPARTAN FLORIDA INCOME
GOAL: High current tax-free income, and exemption from the Florida intangible tax.

STRATEGY: Invests mainly in long - term, investment-grade Florida municipal securities.
SIZE: As of November 30, 199 3 , the fund had over $ 428 million in assets.

WHO MAY WANT TO INVEST

These non-diversified funds may be appropriate for investors in higher tax brackets who seek high current tax-free income and an investment that is free from the Florida intangible tax. Each fund's level of risk, and potential reward, depend on the quality and maturity of its investments. Spartan Florida Municipal Money Market is managed to keep its share price stable at $1.00. Spartan Florida Municipal Income, with its broader range of investments, has the potential for higher yields, but also carries a higher degree of risk.

These funds do not constitute a balanced investment plan. The value of the funds' investments and the income they generate will vary from day to day, generally reflecting changes, in interest rates, market conditions, and other federal and state political and economic news. When you sell your shares of Spartan Florida Municipal Income, they may be worth more or less than what you paid for them.

The Spartan family of funds is designed for cost-conscious investors looking for higher yields through lower costs. The Spartan Approach(Registered trademark) requires investors to make high minimum investments and, in some cases, to pay for individual transactions.

EXPENSES AND PERFORMANCE

EXPENSES

SHAREHOLDER TRANSACTION EXPENSES are charges you pay when you buy or sell shares of a fund. See page 20 for more information.

Maximum sales charge on purchases and reinvested dividends	None
Deferred sales charge on redemptions	None
Redemption fee (on shares held less than 180 days)	
for Spartan New Jersey Municipal High Yield	None
for Spartan Florida Municipal Income	.50%
Exchange and wire transaction fees	$5.00
Checkwriting fee, per check written (available for Spartan Florida Municipal Money Market)	$2.00
Account closeout fee	$5.00

THESE FEES ARE WAIVED (except for the redemption fee) if your account balance at the time of the transaction is $50,000 or more.

ANNUAL FUND OPERATING EXPENSES are paid out of each fund's assets. Each fund pays a management fee to FMR. Expenses are factored into each fund's share price or dividends and are not charged directly to shareholder accounts (see page 25).

The following are projections based on historical expenses, and are calculated as a percentage of average net assets.

SPARTAN NJ HIGH YIELD

Management fee (after reimbursement)	0.40%
12b-1 fee	None
Other expenses	0.00%
Total fund operating expenses	0.40%

SPARTAN FLORIDA INCOME

Management fee (after reimbursement)	0.50%
12b-1 fee	None
Other expenses	0.00 %
Total fund operating expenses	0.50%

EXAMPLES: Let's say, hypothetically, that each fund's annual return is 5% and that its operating expenses are exactly as just described. For every $1,000 you invested, here's how much you would pay in total expenses after the number of years indicated, first assuming that you leave your account open, and then assuming that you close your account at the end of the period:

SPARTAN NJ HIGH YIELD

	Account open	Account closed
After 1 year	$ 4	$ 9
After 3 years	$ 13	$ 18
After 5 years	$ 22	$ 27
After 10 years	$ 51	$ 56

SPARTAN FLORIDA INCOME

	Account open	Account closed
After 1 year	$ 5	$ 10
After 3 years	$ 16	$ 21
After 5 years	$ 28	$ 33
After 10 years	$ 63	$ 68

These examples illustrate the effect of expenses, but are not meant to suggest actual or expected costs or returns, all of which may vary.

FMR has voluntarily agreed to temporarily limit Spartan New Jersey Municipal High Yield's and Spartan Florida Municipal Income's operating expenses to .40% and .50%, respectively, of its average net assets. If these agreements were not in effect, the management fee, other expenses, and total operating expenses would be .50%, .00%, and .50% for Spartan Florida Municipal Money Market, and .55%, .00%, and .55% for Spartan Florida Municipal Income, respectively. Expenses eligible for reimbursement do not include interest, taxes, brokerage commissions, or extraordinary expenses.

FINANCIAL HIGHLIGHTS

The tables that follow have been audited by Coopers & Lybrand, independent accountants. Their unqualified report is included in the funds' Annual Report. The funds' Annual Report is incorporated by reference into (is legally a part of) the Statement of Additional Information.

SPARTAN FLORIDA MUNICIPAL MONEY MARKET

<TABLE>
<CAPTION>

<S>	<C>	<C>
18.Selected Per-Share Data and Ratios		
19.Years ended November 30,	1992B	1993
20.Net asset value, beginning of period	$ 1.000	$ 1.000
21.Income from Investment Operations Net interest income	.008	.025
22. Dividends from net interest income	(.008)	(.025)
23.Net asset value, end of period	$ 1.000	$ 1.000
24.Total return C	.78%	2.51%
25.Net assets, end of period (000 omitted)	$ 49,467	$ 306,741
26.Ratio of expenses to average net assets	-%	.18%
27.Ratio of expenses to average net assets before expense reductions	.50% A	.50%
28.Ratio of net interest income to average net assets	2.91% A	2.48%

</TABLE>

A ANNUALIZED
B FROM AUGUST 24, 1992 (COMMENCEMENT OF OPERATIONS) TO NOVEMBER 30, 1992
C TOTAL RETURNS FOR PERIODS OF LESS THAN ONE YEAR ARE NOT ANNUALIZED.

SPARTAN FLORIDA MUNICIPAL INCOME

<TABLE>
<CAPTION>

<S>	<C>	<C>
29.Selected Per-Share Data and Ratios	1992B	1993
30.Years ended November 30,		
31.Net asset value, beginning of period	$ 10.000	$ 10.520
32.Income from Investment Operations Net investment income	.459	.615
33. Net realized and unrealized gain (loss) on investments	.514	.777
34. Total from investment operations	.973	1.392
35.Less Distributions From net interest income	(.459)	(.615)
36. From net realized gain on investments	-	(.010)
37. Total distributions	(.459)	(.625)
38.Redemption fees added to paid in capital	.006	.003
39.Net asset value, end of period	$ 10.520	$ 11.290
40.Total returnC	9.94%	13.52%
41.Net assets, end of period (000 omitted)	$ 237,109	$ 428,367
42.Ratio of expenses to average net assets	.03% A	.25%
43.Ratio of expenses to average net assets before expense reductions	.55% A	.55%
44.Ratio of net interest income to average net assets	6.25% A	5.52%
45.Portfolio turnover rate	38% A	50%

</TABLE>

A ANNUALIZED
B FROM MARCH 16, 1992 (COMMENCEMENT OF OPERATIONS) TO NOVEMBER 30, 1992
C TOTAL RETURNS FOR PERIODS OF LESS THAN ONE YEAR ARE NOT ANNUALIZED.

PERFORMANCE

Mutual fund performance can be measured as TOTAL RETURN or YIELD. The total returns and yields that follow are based on historical fund results and do not reflect the effect of any transaction fees you may have paid. The figures would be lower if fees were taken into account.

Each fund's fiscal year runs from December 1 through November 30. The tables below show each fund's performance over past fiscal years compared to a measure of inflation. The charts on page 9 help you compare the yields of these funds to those of their competitors.

SPARTAN NJ HIGH YIELD

Fiscal periods ended November 30, 199 3	Past 1 Year	Life of fundA
Average annual total return	2.51%	2.59%
Cumulative total return	2.51%	3.31%
Consumer Price Index	2.68%	n/a

SPARTAN FLORIDA INCOME

Fiscal periods ended November 30, 199 3	Past 1 Year	Life of fundB
Average annual total return	13.52%	13.81%
Cumulative total return	13.52%	24.80%
Consumer Price Index	2.68%	n/a

A FROM AUGUST 24, 1992
B FROM MARCH 16, 1992

EXPLANATION OF TERMS

UNDERSTANDING PERFORMANCE

YIELD illustrates the income earned by a fund over a recent period. Seven-day yields are the most common illustration of money market performance. 30-day yields are usually used for bond funds. Yields change daily, reflecting changes in interest rates.

TOTAL RETURN reflects both the reinvestment of income and capital gain distributions, if any, and any change in a fund's share price.

(checkmark)

TOTAL RETURN is the change in value of an investment in a fund over a given period, assuming reinvestment of any dividends and capital gains. A CUMULATIVE TOTAL RETURN reflects actual performance over a stated period of time. An AVERAGE ANNUAL TOTAL RETURN is a hypothetical rate of return that, if achieved annually, would have produced the same cumulative total return if performance had been constant over the entire period. Average annual total returns smooth out variations in performance; they are not the same as actual year-by-year results.

YIELD refers to the income generated by an investment in a fund over a given period of time, expressed as an annual percentage rate. When a money market fund yield assumes that income earned is reinvested, it is called an EFFECTIVE YIELD. A TAX-EQUIVALENT YIELD shows what an investor would have to earn before taxes to equal a tax-free yield. Yields for Spartan Florida Income are calculated according to a standard that is required for all stock and bond funds. Because this differs from other accounting methods, the quoted yield may not equal the income actually paid to shareholders.

SPARTAN FLORIDA MUNICIPAL MONEY MARKET
7-day yields
Percent
age %

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Row: 15, Col: 2, Value: 2.14
Row: 16, Col: 1, Value: 2.4
Row: 16, Col: 2, Value: 2.08
Spartan
Florida
Municipal
Money
Market
Competitive
funds average
1992
1993

SPARTAN FLORIDA MUNICIPAL INCOME
30-day yields
Percent
age %
Row: 1, Col: 1, Value: 6.34
Row: 1, Col: 2, Value: 5.45
Row: 2, Col: 1, Value: 6.470000000000001
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Row: 12, Col: 2, Value: 4.75
Row: 13, Col: 1, Value: 5.34
Row: 13, Col: 2, Value: 4.75
Row: 14, Col: 1, Value: 5.159999999999999
Row: 14, Col: 2, Value: 4.8
Row: 15, Col: 1, Value: 4.94
Row: 15, Col: 2, Value: 4.619999999999999
Row: 16, Col: 1, Value: 4.819999999999999
Row: 16, Col: 2, Value: 4.48
Spartan
Florida
Municipal
Income
Competitive
funds average
1992
1993
THE TOP CHART SHOWS THE 7-DAY EFFECTIVE YIELD FOR THE FUND AND ITS COMPETITIVE FUNDS AVERAGE AS OF THE LAST TUESDAY OF EACH MONTH FROM OCTOBER 1992 THROUGH OCTOBER 1993. THE BOTTOM CHART SHOW THE 30-DAY ANNUALIZED NET YIELDS FOR THE FUND AND ITS COMPETITIVE FUNDS AVERAGE AS OF THE LAST DAY OF EACH MONTH FROM JULY 1992 THROUGH OCTOBER 1993. YIELDS FOR THE FUNDS WOULD HAVE BEEN LOWER IF FIDELITY HAD NOT REIMBURSED CERTAIN FUND EXPENSES.
THE CONSUMER PRICE INDEX is a widely recognized measure of inflation calculated by the U.S. government.
THE COMPETITIVE FUNDS AVERAGE for Spartan New Jersey Municipal High Yield is the IBC/Donoghue's MONEY FUND AVERAGES(registered trademark)/Lipper New

Jersey Municipal Debt Funds Average category, which currently reflects the performance of over 300 mutual funds with similar objectives. This average is published in the MONEY FUND REPORT(Registered trademark) by IBC USA (Publications), Inc. The competitive funds average for Spartan Florida Municipal Income is published by Lipper Analytical Services, Inc. The fund compares its performance to the Lipper Florida Municipal Income Funds Average which currently reflects the performance of over 40 mutual funds with similar objectives. Both of these averages assume reinvestment of distributions.

The funds' recent strategies, performance, and holdings are detailed twice a year in financial reports, which are sent to all shareholders. For current performance or a free annual report, call 1-800-544-8888.

TOTAL RETURNS AND YIELDS ARE BASED ON PAST RESULTS AND ARE NOT AN INDICATION OF FUTURE PERFORMANCE.

YOUR ACCOUNT

DOING BUSINESS WITH FIDELITY

Fidelity Investments was established in 1946 to manage one of America's first mutual funds. Today, Fidelity is the largest mutual fund company in the country, and is known as an innovative provider of high-quality financial services to individuals and institutions.

In addition to its mutual fund business, the company operates one of America's leading discount brokerage firms, Fidelity Brokerage Services, Inc. (FBSI). Fidelity is also a leader in providing tax-sheltered retirement plans for individuals investing on their own or through their employer.

Fidelity is committed to providing investors with practical information to make investment decisions. Based in Boston, Fidelity provides customers with complete service 24 hours a day, 365 days a year, through a network of telephone service centers around the country.

To reach Fidelity for general information, call these numbers:

(bullet) For mutual funds, 1-800-544-8888

(bullet) For brokerage, 1-800-544-7272

If you would prefer to speak with a representative in person, Fidelity has walk-in Investor Centers in over 75 cities across the country.

TYPES OF ACCOUNTS

You may set up an account directly in a fund or, if you own or intend to purchase individual securities as part of your total investment portfolio, you may consider investing in a fund through a brokerage account.

If you are investing through FBSI or another financial institution or investment professional, refer to its program materials for any special provisions regarding your investment in the fund.

The different ways to set up (register) your account with Fidelity are listed below.

WAYS TO SET UP YOUR ACCOUNT

INDIVIDUAL OR JOINT TENANTS

FOR YOUR GENERAL INVESTMENT NEEDS

Individual accounts are owned by one person. Joint accounts can have two or more owners (tenants).

GIFTS OR TRANSFERS TO A MINOR (UGMA, UTMA)

TO INVEST FOR A CHILD'S FUTURE NEEDS

These custodial accounts provide a way to give money to a child and obtain tax benefits. An individual can give up to $10,000 a year per child without paying federal gift tax. Depending on state laws, you can set up a custodial account under the Uniform Gifts to Minors Act (UGMA) or the Uniform Transfers to Minors Act (UTMA).

TRUST

FOR MONEY BEING INVESTED BY A TRUST

The trust must be established before an account can be opened.

BUSINESS OR ORGANIZATION

FOR INVESTMENT NEEDS OF CORPORATIONS, ASSOCIATIONS, PARTNERSHIPS, OR OTHER GROUPS

Requires a special application.

HOW TO BUY SHARES

EACH FUND'S SHARE PRICE, called net asset value (NAV), is calculated every business day. Spartan New Jersey Municipal High Yield is managed to keep its share price stable at $1.00. Each fund's shares are sold without a sales charge.

Shares are purchased at the next share price calculated after your investment is received and accepted. Share price is normally calculated at 4 p.m. Eastern time.

IF YOU ARE NEW TO FIDELITY, complete and sign an account application and mail it along with your check. You may also open your account in person or by wire as described on page 13 . If there is no application accompanying this prospectus, call 1-800-544-8888.

IF YOU ALREADY HAVE MONEY INVESTED IN A FIDELITY FUND, you can:

(bullet) Mail in an application with a check, or

(bullet) Open your account by exchanging from another Fidelity fund.

If you buy shares by check or Fidelity Money Line(Registered trademark), and then sell those shares by any method other than by exchange to another Fidelity fund, the payment may be delayed for up to seven business days to ensure that your previous investment has cleared.

MINIMUM INVESTMENTS

TO OPEN AN ACCOUNT $10,000

For Spartan Florida Municipal Money Market $25,000
TO ADD TO AN ACCOUNT $1,000
Through automatic investment plans $500
MINIMUM BALANCE $5,000
For Spartan Florida Municipal Money Market $10,000

UNDERSTANDING THE SPARTAN APPROACH(Registered trademark)
Fidelity's Spartan Approach is based on the principle that lower fund expenses can increase returns. The Spartan funds keep expenses low in two ways. First, higher investment minimums reduce the effect of a fund's fixed costs, many of which are paid on a per-account basis. Second, unlike most mutual funds that include transaction costs as part of overall fund expenses, Spartan shareholders pay directly for the transactions they make.
(checkmark)

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<S>	<C> TO OPEN AN ACCOUNT	<C> TO ADD TO AN ACCOUNT
PHONE 1-800-544-7777	(bullet) Exchange from another Fidelity fund account with the same registration, including name, address, and taxpayer ID number.	(bullet) Exchange from another Fidelity fund account with the same registration, including name, address, and taxpayer ID number. (bullet) Use Fidelity Money Line to transfer from your bank account. Call before your first use to verify that this service is in place on your account. Maximum Money Line: $50,000.

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<S>	<C>	<C>
MAIL	(bullet) Complete and sign the application. Make your check payable to the complete name of the fund of your choice. Mail to the address indicated on the application.	(bullet) Make your check payable to the complete name of the fund of your choice. Indicate your fund account number on your check. Mail to the address printed on your account statement. (bullet) Exchange by mail: call 1-800-544-6666 for instructions.

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<S>	<C>	<C>
IN PERSON	(bullet) Bring your application	(bullet) Bring your check to a

and check to a Fidelity Investor Center. Call 1-800-544-9797 for the center nearest you.	Fidelity Investor Center. Call 1-800-544-9797 for the center nearest you.

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WIRE	(bullet) There may be a $5.00 fee for each wire purchase. (bullet) Call 1-800-544-7777 to set up your account and to arrange a wire transaction. (bullet) Wire within 24 hours to: Bankers Trust Company, Bank Routing #021001033, Account #00163053. Specify the complete name of the fund and include your new account number and your name.	(bullet) There may be a $5.00 fee for each wire purchase. (bullet) Wire to: Bankers Trust Company, Bank Routing #021001033, Account #00163053. Specify the complete name of the fund and include your account number and your name.

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AUTOMATICALLY	(bullet) Not available.	(bullet) Use Fidelity Automatic Account Builder. Sign up for this service when opening your account, or call 1-800-544-6666 to add it.

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TDD - SERVICE FOR THE DEAF AND HEARING-IMPAIRED: 1-800-544-0118

</TABLE>

HOW TO SELL SHARES

You can arrange to take money out of your fund account at any time by selling (redeeming) some or all of your shares. Your shares will be sold at the next share price calculated after your order is received and accepted. Share price is normally calculated at 4 p.m. Eastern time.

IF YOU ARE SELLING SOME BUT NOT ALL OF YOUR SHARES, leave at least $5,000 worth of shares in the account ($10,000 for Spartan New Jersey Municipal High Yield) to keep it open.

TO SELL SHARES BY BANK WIRE OR FIDELITY MONEY LINE, you will need to sign up for these services in advance.

CERTAIN REQUESTS MUST INCLUDE A SIGNATURE GUARANTEE. It is designed to protect you and Fidelity from fraud. Your request must be made in writing and include a signature guarantee if any of the following situations apply:

(bullet) You wish to redeem more than $100,000 worth of shares,
(bullet) Your account registration has changed within the last 30 days,
(bullet) The check is being mailed to a different address than the one on your account (record address),
(bullet) The check is being made payable to someone other than the account owner, or
(bullet) The redemption proceeds are being transferred to a Fidelity account with a different registration.

You should be able to obtain a signature guarantee from a bank, broker (including Fidelity Investor Centers), dealer, credit union (if authorized under state law), securities exchange or association, clearing agency, or savings association. A notary public cannot provide a signature guarantee.

SELLING SHARES IN WRITING

Write a "letter of instruction" with:
(bullet) Your name,
(bullet) The fund's name,
(bullet) Your fund account number,
(bullet) The dollar amount or number of shares to be redeemed, and

(bullet) Any other applicable requirements listed in the table at right.
Unless otherwise instructed, Fidelity will send a check to the record address. Deliver your letter to a Fidelity Investor Center, or mail it to:
Fidelity Investments
P.O. Box 660602
Dallas, TX 75266-0602

CHECKWRITING

If you have a checkbook for your account in Spartan Florida Municipal Money Market, you may write an unlimited number of checks. Do not, however, try to close out your account by check.

ACCOUNT TYPE SPECIAL REQUIREMENTS

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IF YOU SELL SHARES OF SPARTAN FLORIDA MUNICIPAL INCOME AFTER HOLDING THEM FOR LESS THAN 180 DAYS, THE FUND WILL DEDUCT A REDEMPTION FEE EQUAL TO .50% OF THE VALUE OF THOSE SHARES. IF YOUR ACCOUNT BALANCE IS LESS THAN $50,000, THERE ARE FEES FOR INDIVIDUAL REDEMPTION TRANSACTIONS: $2.00 FOR EACH CHECK YOU WRITE AND $5.00 FOR EACH EXCHANGE, BANK WIRE, AND ACCOUNT CLOSEOUT.

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<S>	<C>	<C>
PHONE 1-800-544-7777	All account types	(bullet) Maximum check request: $100,000. (bullet) For Money Line transfers to your bank account; minimum: $2,500; maximum: $100,000. (bullet) You may exchange to other Fidelity funds if both accounts are registered with the same name(s), address, and taxpayer ID number.
MAIL OR IN PERSON	Individual, Joint Tenant, Sole Proprietorship , UGMA, UTMA	(bullet) The letter of instruction must be signed by all persons required to sign for transactions, exactly as their names appear on the account.
	Trust	(bullet) The trustee must sign the letter indicating capacity as trustee. If the trustee's name is not in the account registration, provide a copy of the trust document certified within the last 60 days.
	Business or Organization	(bullet) At least one person authorized by corporate resolution to act on the account must sign the letter. (bullet) Include a corporate resolution with corporate seal or a signature guarantee.
	Executor, Administrator, Conservator, Guardian	(bullet) Call 1-800-544-6666 for instructions.
WIRE	All account types	(bullet) You must sign up for the wire feature before using it. To verify that it is in place, call 1-800-544-6666. Minimum wire: $5,000. (bullet) Your wire redemption request must be received by Fidelity before 4 p.m. Eastern time for money to be wired on the next business day.

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CHECK	All account types	(bullet) Minimum check: $1,000. (bullet) All account owners must sign a signature card to receive a checkbook.

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TDD - SERVICE FOR THE DEAF AND HEARING-IMPAIRED: 1-800-544-0118

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INVESTOR SERVICES
Fidelity provides a variety of services to help you manage your account.
INFORMATION SERVICES
FIDELITY'S TELEPHONE REPRESENTATIVES are available 24 hours a day, 365 days a year. Whenever you call, you can speak with someone equipped to provide the information or service you need.
STATEMENTS AND REPORTS that Fidelity sends to you include the following:
(bullet) Confirmation statements (after every transaction, except reinvestments, that affects your account balance or your account registration)
(bullet) Account statements (quarterly)
(bullet) Financial reports (every six months)

24-HOUR SERVICE
ACCOUNT ASSISTANCE
1-800-544-6666
ACCOUNT BALANCES
1-800-544-7544
ACCOUNT TRANSACTIONS
1-800-544-7777
PRODUCT INFORMATION
1-800-544-8888
QUOTES
1-800-544-8544
RETIREMENT ACCOUNT
ASSISTANCE
1-800-544-4774
AUTOMATED SERVICE
(checkmark)
To reduce expenses, only one copy of most financial reports will be mailed to your household, even if you have more than one account in the fund. Call 1-800-544-6666 if you need copies of financial reports or historical account information.
TRANSACTION SERVICES
EXCHANGE PRIVILEGE. You may sell your fund shares and buy shares of other Fidelity funds by telephone or in writing. There may be a $5.00 fee for each exchange out of the funds.
Note that exchanges out of a fund are limited to four per calendar year, and that they may have tax consequences for you. For complete policies and restrictions governing exchanges, including circumstances under which a shareholder's exchange privilege may be suspended or revoked, see page 22.
SYSTEMATIC WITHDRAWAL PLANS let you set up monthly or quarterly redemptions from your account.
FIDELITY MONEY LINE(Registered trademark) enables you to transfer money by phone between your bank account and your fund account. Most transfers are complete within three business days of your call.
REGULAR INVESTMENT PLANS
One easy way to pursue your financial goals is to invest money regularly. Fidelity offers convenient services that let you transfer money into your fund account, or between fund accounts, automatically. While regular investment plans do not guarantee a profit and will not protect you against loss in a declining market, they can be an excellent way to invest for a home, educational expenses, and other long-term financial goals.
REGULAR INVESTMENT PLANS

FIDELITY AUTOMATIC ACCOUNT BUILDERSM
TO MOVE MONEY FROM YOUR BANK ACCOUNT TO A FIDELITY FUND

MINIMUM	FREQUENCY	SETTING UP OR CHANGING
$500	Monthly or quarterly	(bullet) For a new account, complete the appropriate section on the fund application. (bullet) For existing accounts, call 1-800-544-6666 for an application. (bullet) To change the amount or frequency of your investment, call 1-800-544-6666 at least three business days prior to your next scheduled investment date.

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DIRECT DEPOSIT
TO SEND ALL OR A PORTION OF YOUR PAYCHECK OR GOVERNMENT CHECK TO A FIDELITY FUNDA

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MINIMUM FREQUENCY SETTING UP OR CHANGING

$500	Every pay period	(bullet) Check the appropriate box on the fund application, or call 1-800-544-6666 for an authorization form. (bullet) Changes require a new authorization form.

FIDELITY AUTOMATIC EXCHANGE SERVICE
TO MOVE MONEY FROM A FIDELITY MONEY MARKET FUND TO ANOTHER FIDELITY FUND

MINIMUM	FREQUENCY	SETTING UP OR CHANGING
$500	Monthly, bimonthly, quarterly, or annually	(bullet) To establish, call 1-800-544-6666 after both accounts are opened. (bullet) To change the amount or frequency of your investment, call 1-800-544-6666.

A BECAUSE BOND FUND SHARE PRICES FLUCTUATE, THAT FUND MAY NOT BE AN APPROPRIATE CHOICE FOR DIRECT DEPOSIT OF YOUR ENTIRE CHECK.

DIVIDENDS, CAPITAL GAINS, AND TAXES

Each fund distributes substantially all of its net investment income and capital gains, if any, to shareholders each year. Income dividends are declared daily and paid monthly. Capital gains earned by the bond fund are normally distributed in January and December.

DISTRIBUTION OPTIONS

When you open an account, specify on your application how you want to receive your distributions. If the option you prefer is not listed on the application, call 1-800-544-6666 for instructions. Each fund offers four options (three for Spartan New Jersey Municipal High Yield):

1 . REINVESTMENT OPTION. Your dividend and capital gain distributions, if any, will be automatically reinvested in additional shares of the fund. If you do not indicate a choice on your application, you will be assigned this option.

2 . INCOME-EARNED OPTION. Your capital gain distributions, will be automatically reinvested, but you will be sent a check for each dividend distribution. This option is not available for Spartan New Jersey Municipal High Yield.

3. CASH OPTION. You will be sent a check for your dividend and capital gain distributions, if any.

4. DIRECTED DIVIDENDS(Registered trademark) OPTION. Your dividend and capital gain distributions, if any, will be automatically invested in another identically registered Fidelity fund.

Dividends will be reinvested at the fund's NAV on the last day of the month. Capital gain distributions, if any, will be reinvested at the NAV as of the date the fund deducts the distribution from its NAV. The mailing of distribution checks will begin within seven days.

UNDERSTANDING DISTRIBUTIONS

As a fund shareholder, you are entitled to your share of the fund's net income and gains on its investments. The fund passes its earnings along to its investors as DISTRIBUTIONS.

Each fund earns interest from its investments. These are passed along as DIVIDEND DISTRIBUTIONS. The fund may realize capital gains if it sells securities for a higher price than it paid for them. These are passed along as CAPITAL GAIN DISTRIBUTIONS. Money market funds usually don't realize any capital gains.

(checkmark)

TAXES

As with any investment, you should consider how an investment in a tax-free fund could affect you. Below are some of the funds' tax implications.

TAXES ON DISTRIBUTIONS. Interest income that a fund earns is distributed to shareholders as income dividends. Interest that is federally tax-free remains tax-free when it is distributed.

However, a gain on the sale of tax-free bonds results in taxable distributions; short-term capital gains and a portion of the gain on bonds purchased at a discount after April 30, 1993 are taxed as dividends. Long-term capital gain distributions are taxed as long-term capital gains. These distributions are taxable when they are paid, whether you take them in cash or reinvest them. However, distributions declared in December and paid in January are taxable as if they were paid on December 31. Fidelity will send you and the IRS a statement showing the tax status of the distributions paid to you in the previous year.

The interest from some municipal securities is subject to the federal alternative minimum tax. Each fund may invest up to 100% of its assets in these securities. Individuals who are subject to the tax must report this interest on their tax returns.

Each fund has received a ruling from the Florida Department of Revenue that, if on the close of business on the last business day of any calendar year, a fund's assets consist solely of those exempt from Florida intangible tax, shares of the fund owned by Florida residents will be exempt from the tax. Items exempt from Florida intangible tax include Florida municipal obligations, certain obligations of the U.S. government or its agencies, territories, and possessions, and cash.

In the event a fund owns any asset on that day that is subject to the Florida Intangible tax, all or a portion of the value of a fund's shares will be subject to the tax. In order to assure exemption of each fund's shares from the tax, FMR would seek to sell or dispose of any non-qualifying assets on or before the last business day of the calendar year. As a result, a fund could potentially receive a lower price for the securities sold or incur additional costs or taxable capital gains.

During fiscal 1993, 100% of each fund's income dividends were free from federal income tax and 28% and 9% of Spartan Florida Municipal Money Market's and Spartan Florida Municipal Income's income dividends, respectively, were subject to the federal alternative minimum tax. FMR anticipates that each fund's shares will be free from the Florida intangible tax.

TAXES ON TRANSACTIONS. Your bond fund redemptions - including exchanges to other Fidelity funds - are subject to capital gains tax. A capital gain or loss is the difference between the cost of your shares and the price you receive when you sell them.

Whenever you sell shares of a fund, Fidelity will send you a confirmation statement showing how many shares you sold and at what price. You will also receive a consolidated transaction statement every January. However, it is up to you or your tax preparer to determine whether this sale resulted in a capital gain and, if so, the amount of tax to be paid. Be sure to keep your regular account statements; the information they contain will be essential in calculating the amount of your capital gains.

"BUYING A DIVIDEND." If you buy shares just before a fund deducts a capital gain distribution from its NAV, you will pay the full price for the shares and then receive a portion of the price back in the form of a taxable distribution.

SHAREHOLDER AND ACCOUNT POLICIES

TRANSACTION DETAILS

THE FUNDS ARE OPEN FOR BUSINESS each day the New York Stock Exchange (NYSE) is open. Fidelity normally calculates each fund's net asset value as of the close of business of the NYSE, normally 4 p.m. Eastern time.

EACH FUND'S NAV is the value of a single share. The NAV is computed by adding up the value of the fund's investments, cash, and other assets, subtracting its liabilities, and then dividing the result by the number of shares outstanding.

The money market fund values the securities it owns on the basis of amortized cost. This method minimizes the effect of changes in a security's market value and helps the fund to maintain a stable $1.00 share price. For the bond fund, assets are valued primarily on the basis of market quotations, if available. Since market quotations are often unavailable, assets are usually valued by a method that the Board of Trustees believes accurately reflects fair value.

EACH FUND'S OFFERING PRICE (price to buy one share) and REDEMPTION PRICE (price to sell one share) are its NAV.

WHEN YOU SIGN YOUR ACCOUNT APPLICATION, you will be asked to certify that your Social Security or taxpayer identification number is correct and that you are not subject to 31% backup withholding for failing to report income to the IRS. If you violate IRS regulations, the IRS can require a fund to withhold 31% of your taxable distributions and redemptions.

YOU MAY INITIATE MANY TRANSACTIONS BY TELEPHONE. Note that Fidelity will not be responsible for any losses resulting from unauthorized transactions if it follows reasonable procedures designed to verify the identity of the caller. Fidelity will request personalized security codes or other information, and may also record calls. You should verify the accuracy of your confirmation statements immediately after you receive them. If you do not want the ability to redeem and exchange by telephone, call Fidelity for instructions.

IF YOU ARE UNABLE TO REACH FIDELITY BY PHONE (for example, during periods of unusual market activity), consider placing your order by mail or by visiting a Fidelity Investor Center.

EACH FUND RESERVES THE RIGHT TO SUSPEND THE OFFERING OF SHARES for a period of time. Each fund also reserves the right to reject any specific purchase order, including certain purchases by exchange. See "Exchange Restrictions" on page 22. Purchase orders may be refused if, in FMR's opinion, they are of a size that would disrupt management of a fund.

WHEN YOU PLACE AN ORDER TO BUY SHARES, your order will be processed at the next offering price calculated after your order is received and accepted. Note the following:

(bullet) All of your purchases must be made in U.S. dollars and checks must be drawn on U.S. banks.

(bullet) Fidelity does not accept cash.

(bullet) When making a purchase with more than one check, each check must have a value of at least $50.

(bullet) Each fund reserves the right to limit the number of checks processed at one time.

(bullet) If your check does not clear, your purchase will be cancelled and you could be liable for any losses or fees a fund or its transfer agent has incurred.

(bullet) Spartan New Jersey Municipal High Yield reserves the right to limit all accounts maintained or controlled by any one person to a maximum total balance of $2 million.

(bullet) You begin to earn dividends as of the first business day following the day of your purchase.

TO AVOID THE COLLECTION PERIOD associated with check and Money Line purchases, consider buying shares by bank wire, U.S. Postal money order, U.S. Treasury check, Federal Reserve check, or direct deposit instead.

YOU MAY BUY OR SELL SHARES OF THE FUNDS THROUGH A BROKER, who may charge you a fee for this service. If you invest through a broker or other institution, read its program materials for any additional service features or fees that may apply.

CERTAIN FINANCIAL INSTITUTIONS that have entered into sales agreements with Fidelity Distributors Corporation (FDC) may enter confirmed purchase orders on behalf of customers by phone, with payment to follow no later than the time when a fund is priced on the following business day. If payment is not received by that time, the financial institution could be held liable for resulting fees or losses.

WHEN YOU PLACE AN ORDER TO SELL SHARES, your shares will be sold at the next NAV calculated after your request is received and accepted. Note the following:

(bullet) Normally, redemption proceeds will be mailed to you on the next business day, but if making immediate payment could adversely affect a fund, it may take up to seven days to pay you.

(bullet) Shares will earn dividends through the date of redemption; however, shares redeemed on a Friday or prior to a holiday will continue to earn dividends until the next business day.

(bullet) Fidelity Money Line redemptions generally will be credited to your bank account on the second or third business day after your phone call.

(bullet) Each fund may hold payment on redemptions until it is reasonably satisfied that investments made by check or Fidelity Money Line have been collected, which can take up to seven business days.

(bullet) Redemptions may be suspended or payment dates postponed when the NYSE is closed (other than weekends or holidays), when trading on the NYSE is restricted, or as permitted by the SEC.

(bullet) If you sell shares by writing a check and the amount of the check is greater than the value of your account, your check will be returned to you and you may be subject to additional charges.

THE REDEMPTION FEE for Spartan Florida Municipal Income, if applicable, will be deducted from the amount of your redemption. This fee is paid to the fund rather than FMR, and it does not apply to shares that were acquired through reinvestment of distributions. If shares you are redeeming were not all held for the same length of time, those shares you held longest will be redeemed first for purposes of determining whether the fee applies.

The redemption fee applies in addition to the $5.00 exchange fee and any applicable sales charges associated with purchasing shares of the fund into which you are exchanging.

THE FEES FOR INDIVIDUAL TRANSACTIONS are waived if your account balance at the time of the transaction is $50,000 or more. Otherwise, you should note the following:

(bullet) The $2.00 checkwriting charge will be deducted from your account.

(bullet) The $5.00 exchange fee will be deducted from the amount of your exchange.

(bullet) The $5.00 wire fee will be deducted from the amount of your wire.

(bullet) The $5.00 account closeout fee does not apply to exchanges or wires, but it will apply to checkwriting.

IF YOUR ACCOUNT BALANCE FALLS BELOW $5,000 ($10,000 for Spartan New Jersey Municipal High Yield) , you will be given 30 days' notice to reestablish the minimum balance. If you do not increase your balance, Fidelity reserves the right to close your account and send the proceeds to you. Your shares will be redeemed at the NAV on the day your account is closed and the $5.00 account closeout fee will be charged.

FIDELITY MAY CHARGE A FEE FOR SPECIAL SERVICES, such as providing historical account documents, that are beyond the normal scope of its services.

EXCHANGE RESTRICTIONS

As a shareholder, you have the privilege of exchanging shares of a fund for

shares of other Fidelity funds. However, you should note the following:
(bullet) The fund you are exchanging into must be registered for sale in your state.
(bullet) You may only exchange between accounts that are registered in the same name, address, and taxpayer identification number.
(bullet) Before exchanging into a fund, read its prospectus.
(bullet) If you exchange into a fund with a sales charge, you pay the percentage-point difference between that fund's sales charge and any sales charge you have previously paid in connection with the shares you are exchanging. For example, if you had already paid a sales charge of 2% on your shares and you exchange them into a fund with a 3% sales charge, you would pay an additional 1% sales charge.
(bullet) Exchanges may have tax consequences for you.
(bullet) Because excessive trading can hurt fund performance and shareholders, each fund reserves the right to temporarily or permanently terminate the exchange privilege of any investor who makes more than four exchanges out of the fund per calendar year. Accounts under common ownership or control, including accounts with the same taxpayer identification number, will be counted together for purposes of the four exchange limit.
(bullet) Each fund reserves the right to refuse exchange purchases by any person or group if, in FMR's judgment, the fund would be unable to invest the money effectively in accordance with its investment objective and policies, or would otherwise potentially be adversely affected.
(bullet) Your exchanges may be restricted or refused if a fund receives or anticipates simultaneous orders affecting significant portions of the fund's assets. In particular, a pattern of exchanges that coincide with a "market timing" strategy may be disruptive to a fund.
Although the funds will attempt to give you prior notice whenever they are reasonably able to do so, they may impose these restrictions at any time. The funds reserve the right to terminate or modify the exchange privilege in the future.
OTHER FUNDS MAY HAVE DIFFERENT EXCHANGE RESTRICTIONS, and may impose administrative fees of up to $7.50 and redemption fees of up to 1.50% on exchanges. Check each fund's prospectus for details.
<
r>THE FUNDS IN DETAIL</r>

CHARTER
EACH FUND IS A MUTUAL FUND: an investment that pools shareholders' money and invests it toward a specified goal. In technical terms, Spartan New Jersey Municipal High Yield is currently a non-diversified fund of Court Street Trust, and Spartan Florida Municipal Income is currently a non-diversified fund of Fidelity Court Street Trust. Both trusts are open-end management investment companies. Court Street Trust was organized as a Massachusetts business trust on April 21, 1977. Fidelity Court Street Trust was organized as a Massachusetts business trust on April 21, 1977. There is a remote possibility that one fund might become liable for a misstatement in the prospectus about another fund.
EACH FUND IS GOVERNED BY A BOARD OF TRUSTEES, which is responsible for protecting the interests of shareholders. The trustees are experienced executives who meet throughout the year to oversee the funds' activities, review contractual arrangements with companies that provide services to the funds, and review performance. The majority of trustees are not otherwise affiliated with Fidelity.
THE FUNDS MAY HOLD SPECIAL MEETINGS AND MAIL PROXY MATERIALS. These meetings may be called to elect or remove trustees, change fundamental policies, approve a management contract, or for other purposes. Shareholders not attending these meetings are encouraged to vote by proxy. Fidelity will mail proxy materials in advance, including a voting card and information about the proposals to be voted on. You are entitled to one vote for each share you own.
FMR AND ITS AFFILIATES
FIDELITY FACTS
Fidelity offers the broadest selection of mutual funds in the world.
(bullet) Number of Fidelity mutual funds: over 20 0
(bullet) Assets in Fidelity mutual funds: over $ 200 billion
(bullet) Number of shareholder accounts: over 14 million
(bullet) Number of investment analysts and portfolio managers: over 200
(checkmark)
The funds are managed by FMR, which chooses their investments and handles their business affairs. FTX has primary responsibility for providing investment management services for Spartan New Jersey Municipal High Yield.
Anne Punzak is manager and vice president of Spartan Florida Municipal Income, which she has managed since March of 1992, Insured Tax-Free, Aggressive Tax-Free, and Spartan Aggressive Municipal Income. She joined Fidelity in 1984 .

FDC distributes and markets Fidelity's funds and services. Fidelity Service Co. (FSC) performs transfer agent servicing functions for the funds.

FMR Corp. is the parent company of these organizations. Through ownership of voting common stock, Edward C. Johnson 3d (President and a trustee of the trusts), Johnson family members, and various trusts for the benefit of the Johnson family form a controlling group with respect to FMR Corp.

United Missouri Bank, N.A., is each fund's transfer agent, although it employs FSC to perform these functions for the funds. It is located at 1010 Grand Avenue, Kansas City, Missouri.

TO CARRY OUT THE FUNDS' TRANSACTIONS, FMR may use its broker-dealer affiliates and other firms that sell fund shares, provided that a fund receives services and commission rates comparable to those of other broker-dealers.

BREAKDOWN OF EXPENSES

Like all mutual funds, the funds pay fees related to their daily operations. Expenses paid out of a fund's assets are reflected in its share price or dividends; they are neither billed directly to shareholders nor deducted from shareholder accounts.

Each fund pays a management fee to FMR for managing its investments and business affairs. FMR in turn pays fees to an affiliate who provides assistance with these services for Spartan Florida Municipal Money Market.

FMR may, from time to time, agree to reimburse the funds for management fees and other expenses above a specified limit. FMR retains the ability to be repaid by a fund if expenses fall below the specified limit prior to the end of the fiscal year. Reimbursement arrangements, which may be terminated at any time without notice, can decrease a fund's expenses and boost its performance.

MANAGEMENT FEE

The management fee is calculated and paid to FMR every month. Each fund pays a management fee at a fixed annual rate of its average net assets: .55% for Spartan New Jersey Municipal High Yield and .55% for Spartan Florida Municipal Income. The total management fee rate for Spartan Florida Municipal Money Market and Spartan Florida Municipal Income for fiscal 1993, after reimbursement, were .18 %, and .25 %, respectively.

FMR HAS A SUB-ADVISORY AGREEMENT with FTX, which has primary responsibility for providing investment management for Spartan New Jersey Municipal High Yield, while FMR retains responsibility for providing other management services. FMR pays FTX 50% of its management fee (before expense reimbursements) for these services.

FSC performs many transaction and accounting functions for the funds. These services include processing shareholder transactions and calculating each fund's share price. FMR, and not the funds, pays for these services.

To offset shareholder service costs, FMR or its affiliates also collect the funds' $5.00 exchange fee, $5.00 account closeout fee, $5.00 fee for wire purchases and redemptions, and the $2.00 checkwriting charge. For fiscal 19 93 , these fees amounted to $ 2,625 , $ 327.08 , $ 305 , and $ 1,143.57 , respectively, for Spartan New Jersey Municipal High Yield and $ 3,140 , $ 845 , $ 185 , and $ 0 , respectively, for Spartan Florida Municipal Income.

Each fund has adopted a Distribution and Service Plan. These plans recognize that FMR may use its resources, including management fees, to pay expenses associated with the sale of fund shares. This may include payments to third parties, such as banks or broker-dealers, that provide shareholder support services or engage in the sale of the fund's shares. It is important to note, however, that the funds do not pay FMR any separate fees for this service.

For fiscal 1993, the portfolio turnover rate for Spartan Florida Municipal Income was 50 %. This rate varies from year to year.

INVESTMENT PRINCIPLES

SPARTAN FLORIDA MUNICIPAL MONEY MARKET seeks high current income that is exempt from federal income tax while maintaining a stable $1.00 share price by investing in high-quality, short-term municipal securities of all types. As a result, when you sell your shares, they should be worth the same amount as when you bought them. Of course, there is no guarantee that the fund will maintain a stable $1.00 share price.

The fund follows industry-standard guidelines on the quality and maturity of its investments, which are designed to help maintain a stable $1.00 share price. The fund will purchase only high-quality securities that FMR believes present minimal credit risks and will observe maturity restrictions on securities it buys. It is possible that a major change in interest rates or a default on the fund's investments could cause its share price (and the value of your investment) to change.

SPARTAN FLORIDA MUNICIPAL INCOME seeks high current income that is exempt from federal income tax by focusing on municipal bonds judged by FMR to be of investment-grade quality, although it can also invest in some lower quality securities. The fund normally invests in long-term bonds, generally maintaining a dollar-weighted average maturity of 15 years or longer, although it may invest in obligations of any maturity.

EACH FUND 'S yield and the bond fund's share price change based on interest rate changes and on the quality and maturity of its investments. In general, bond prices rise when interest rates fall, and vice versa. This effect is usually more pronounced for longer-term securities. Lower-quality securities offer higher yields, but also carry more risk.

Each fund's performance is closely tied to the economic and political conditions within the state of Florida. Because of the importance of foreign trade, agriculture, construction, and tourism in Florida, the state's economy is sensitive to trends in these industries.

FMR normally invests at least 65% of each fund's total assets in securities that are free from the Florida intangible tax, and normally invests so that at least 80% of each fund's income distributions are free from federal income tax.

If you are subject to the federal alternative minimum tax, you should note that each fund may invest all of its assets in municipal securities issued to finance private activities. The interest from these investments is a tax-preference item for purposes of the tax.

FMR normally invests each fund's assets according to its investment strategy , expects to invest only in federally tax-free obligations, and expects the fund's shares to be exempt from the Florida intangible tax. When FMR considers it appropriate, however, it may temporarily invest substantially in cash that is not earning interest or short-term instruments, or may invest more than normally permitted in federally taxable obligations.

SECURITIES AND INVESTMENT PRACTICES

The following pages contain more detailed information about types of instruments in which the funds may invest, and strategies FMR may employ in pursuit of the funds' investment objectives. A summary of risks and restrictions associated with these instrument types and investment practices is included as well. Policies and limitations are considered at the time of purchase; the sale of instruments is not required in the event of a subsequent change in circumstances.

FMR may not buy all of these instruments or use all of these techniques to the full extent permitted unless it believes that doing so will help the funds achieve their goals. As a shareholder, you will receive financial reports every six months detailing fund holdings and describing recent investment activities.

DEBT SECURITIES. Bonds and other debt instruments are used by issuers to borrow money from investors. The issuer pays the investor a fixed or variable rate of interest, and must repay the amount borrowed at maturity. Some debt securities, such as zero coupon bonds, do not pay current interest, but are purchased at a discount from their face values. Debt securities have varying degrees of quality and varying levels of sensitivity to changes in interest rates. Longer-term bonds are generally more sensitive to interest rate changes than short-term bonds.

Lower-quality debt securities may have speculative characteristics, and involve greater risk of default or price changes due to changes in the issuer's credit worthiness. The market prices of these securities may fluctuate more than higher-quality securities and may decline significantly in periods of general or regional economic difficulty.

The table below provides a summary of ratings assigned to debt holdings (not including money market instruments) in Spartan Florida Municipal Income's portfolio. These figures are dollar-weighted averages of month-end portfolio holdings during fiscal 1993, and are presented as a percentage of total investments. These percentages are historical and do not necessarily indicate the fund's current or future debt holdings.

RESTRICTIONS: Spartan Florida Municipal Income does not currently intend to invest more than one- third of its assets in bonds of equivalent quality to Ba or lower by Moody's and BB or lower by S&P, and does not currently intend to invest in bonds whose quality is judged by FMR to be equivalent to bonds rated lower than B. The fund does not currently intend to invest in bonds rated below Caa by Moody's or CCC by S&P.

SPARTAN FLORIDA MUNICIPAL INCOME

FISCAL 1993 DEBT HOLDINGS, BY RATING

	MOODY'S INVESTORS SERVICE, INC.		STANDARD & POOR'S CORPORATION	
	Rating	Average A	Rating	Averag eA
INVESTMENT GRADE				
Highest quality	Aaa		AAA	
High quality	Aa	64.3 %	AA	77.0 %
Upper-medium grade	A		A	
Medium grade	Baa	17.8 %	BBB	9.93 %
LOWER QUALITY				
Moderately speculative	Ba	0.0 %	BB	0.0 %
Speculative	B	0.0 %	B	0.0 %
Highly speculative	Caa	0.0 %	CCC	0.0 %
Poor quality	Ca	0.0 %	CC	0.0 %
Lowest quality, no interest	C		C	
In default, in arrears	--		D	0.0 %
		82.10 %		86.93 %

A THE DOLLAR-WEIGHTED AVERAGE OF DEBT SECURITIES NOT RATED BY MOODY'S OR S&P AMOUNTED TO 6.6 %. THIS MAY INCLUDE SECURITIES RATED BY OTHER NATIONALLY RECOGNIZED RATING SERVICES, AS WELL AS UNRATED SECURITIES. UNRATED SECURITIES ARE NOT NECESSARILY LOWER-QUALITY SECURITIES. REFER TO THE FUND'S STATEMENT OF ADDITIONAL INFORMATION FOR A MORE COMPLETE DISCUSSION OF THESE RATINGS.

MUNICIPAL SECURITIES are issued to raise money for a variety of public purposes, including general financing for state and local governments, or financing for specific projects or public facilities. Municipal securities may be issued in anticipation of future revenues, and may be backed by the full taxing power of a municipality , the revenues from a specific project, or the credit of a private organization. A security's credit may be enhanced by a bank, insurance company, or other financial institution. A fund may own a municipal security directly or may own one through a participation interest.

FLORIDA MUNICIPAL SECURITIES include obligations issued by the state of Florida or its counties, municipalities, authorities, or other subdivisions . The ability of issuers to repay their debt can be affected by many factors that impact the economic vitality of either the state or a region within the state.

Other securities include general obligations of the U.S. territories and possessions such as Guam, the Virgin Islands, and Puerto Rico, and their political subdivisions and public corporations. The economy of Puerto Rico is closely linked to the U.S. economy, and will depend on the strength of the U.S. dollar, interest rates, the price stability of oil imports, and the continued existence of favorable tax incentives. Recent legislation reduced these incentives, but it is impossible to predict what impact the changes will have.

MUNICIPAL LEASE OBLIGATIONS are used by municipalities to acquire land, equipment, or facilities. If the municipality stops making payments or transfers its obligations to a private entity, the obligation could lose value or become taxable.

PRIVATE ENTITIES may be involved in some municipal securities. For example, industrial revenue bonds are backed by private entities, and resource recovery bonds often involve private corporations. The viability of a project or tax incentives could affect the value and credit quality of these securities.

ASSET-BACKED SECURITIES may include pools of purchase contracts, financing leases, or sales agreements entered into by municipalities. These securities usually rely on continued payments by a municipality, and may also be subject to prepayment risk.

VARIABLE- AND FLOATING-RATE INSTRUMENTS may have interest rates that move in tandem with a benchmark, helping to stabilize their prices. Inverse floaters have interest rates that move in the opposite direction from the benchmark, making the instrument's market value more volatile.

PUT FEATURES entitle the holder to put (sell back) an instrument to the issuer or a financial intermediary. In exchange for this benefit, a fund may pay periodic fees or accept a lower interest rate. Demand features, standby commitments, and tender options are types of put features.

ADJUSTING INVESTMENT EXPOSURE. A fund can use various techniques to increase or decrease its exposure to changing security prices, interest rates, or other factors that affect security values. These techniques may involve derivative transactions such as buying and selling options and futures contracts and purchasing indexed securities.

FMR can use these practices to adjust the risk and return characteristics of a fund's portfolio of investments. If FMR judges market conditions incorrectly or employs a strategy that does not correlate well with the fund's investments, these techniques could result in a loss, regardless of whether the intent was to reduce risk or increase return. These techniques may increase the volatility of the fund and may involve a small investment of cash relative to the magnitude of the risk assumed. In addition, these techniques could result in a loss if the counterparty to the transaction does not perform as promised.

WHEN-ISSUED AND DELAYED-DELIVERY TRANSACTIONS are trading practices in which payment and delivery for the securities take place at a future date. The market value of a security could change during this period, which could affect a fund's yield or the market value of its assets.

ILLIQUID AND RESTRICTED SECURITIES. Some investments may be determined by FMR, under the supervision of the Board of Trustees, to be illiquid, which means that they may be difficult to sell promptly at an acceptable price. The sale of other securities may be subject to legal restrictions. Difficulty in selling securities may result in a loss or may be costly to a fund.

RESTRICTIONS: A fund may not purchase a security if, as a result, more than 10% of its assets would be invested in illiquid securities.

DIVERSIFICATION. Diversifying a fund's investment portfolio can reduce the risks of investing. This may include limiting the amount of money invested in any one issuer or, on a broader scale, in any one industry or type of project. Economic, business, or political changes can affect all securities of a similar type. A fund that is not diversified may be more sensitive to these changes, and also to changes in the market value of a single issuer or industry.

RESTRICTIONS: The funds are considered non-diversified. To meet quarterly federal tax requirements, however, a fund generally does not invest more than 25% of its total assets in any one issuer and, with respect to 50% of total assets, does not invest more than 5% of its total assets in any one issuer. These limitations do not apply to U.S. government securities. A fund may invest more than 25% of its total assets in tax-free securities that finance similar types of projects.

BORROWING. A fund may borrow from banks or from other funds advised by FMR, or through reverse repurchase agreements. If a bond fund borrows money, its share price may be subject to greater fluctuation until the borrowing is

paid off. If the fund makes additional investments while borrowings are outstanding, this may be considered a form of leverage.
RESTRICTIONS: A fund may borrow only for temporary or emergency purposes, but not in an amount exceeding 33% of its total assets.
FUNDAMENTAL INVESTMENT POLICIES AND RESTRICTIONS
Some of the policies and restrictions discussed on the preceding pages are fundamental, that is, subject to change only by shareholder approval. The following paragraphs restate all those that are fundamental. All policies stated throughout this prospectus, other than those identified in the following paragraphs, can be changed without shareholder approval.
SPARTAN FLORIDA MUNICIPAL MONEY MARKET seeks as high a level of current income exempt from federal income tax, as is consistent with preservation of capital and liquidity by investing in high-quality, short-term municipal obligations.
SPARTAN FLORIDA MUNICIPAL INCOME seeks the highest level of current income, exempt from federal income tax, available from municipal bonds judged by FMR to be of investment-grade quality. The fund may also invest a portion of its assets in bonds rated below investment-grade quality.
EACH FUND will normally invest so that at least 80% of its income distributions are free from federal income tax. Each fund may borrow only for temporary or emergency purposes, but not in an amount exceeding 33% of its total assets.

SPARTAN(registered trademark) FLORIDA MUNICIPAL MONEY MARKET PORTFOLIO
A FUND OF FIDELITY COURT STREET TRUST II
SPARTAN(registered trademark) FLORIDA MUNICIPAL INCOME PORTFOLIO
A FUND OF FIDELITY COURT STREET TRUST
STATEMENT OF ADDITIONAL INFORMATION
JANUARY 14 , 1994
This Statement is not a prospectus but should be read in conjunction with the funds' current Prospectus (dated January 14 , 1994). Please retain this document for future reference. The Annual Reports of the money market fund and the income fund for the fiscal periods ended November 30, 1993 are incorporated herein by reference. To obtain an additional copy of the Prospectus or the Annual Report, please call Fidelity Distributors Corporation at 1-800-544-8888.
TABLE OF CONTENTS PAGE

INVESTMENT ADVISER
Fidelity Management & Research Company (FMR)
INVESTMENT SUB-ADVISER (money market fund only)
FMR Texas Inc. (FTX)
DISTRIBUTOR
Fidelity Distributors Corporation (FDC)
TRANSFER AGENT S
United Missouri Bank, N.A. (United Missouri) and Fidelity Service Co. (FSC)
SFC-ptb-194
INVESTMENT POLICIES AND LIMITATIONS
The following policies and limitations supplement those set forth in the Prospectus. Unless otherwise noted, whenever an investment policy or limitation states a maximum percentage of a fund's assets that may be invested in any security or other asset, or sets forth a policy regarding quality standards, such standard or percentage limitation will be determined immediately after and as a result of the fund's acquisition of such security or other asset. Accordingly, any subsequent change in values, net assets, or other circumstances will not be considered when determining whether the investment complies with the fund's investment policies and limitations.
Each fund's fundamental investment policies and limitations cannot be changed without approval by a " majority of the outstanding voting securities" (as defined in the Investment Company Act of 1940) of the fund. However, except for the fundamental investment limitations set forth below, the investment policies and limitations described in this Statement of Additional Information are not fundamental and may be changed without shareholder approval.
INVESTMENT LIMITATIONS OF SPARTAN FLORIDA MUNICIPAL MONEY MARKET PORTFOLIO (MONEY MARKET FUND)
THE FOLLOWING ARE THE MONEY MARKET FUND'S FUNDAMENTAL INVESTMENT LIMITATIONS SET FORTH IN THEIR ENTIRETY. THE FUND MAY NOT:
(1) issue senior securities, except as permitted under the Investment

Company Act of 1940;
(2) borrow money, except that the fund may borrow money for temporary or emergency purposes (not for leveraging or investment) in an amount not exceeding 33 1/3% of its total assets (including the amount borrowed) less liabilities (other than borrowings). Any borrowings that come to exceed this amount will be reduced within three days (not including Sundays and holidays) to the extent necessary to comply with the 33 1/3% limitation;
(3) underwrite securities issued by others, except to the extent that the fund may be considered an underwriter within the meaning of the Securities Act of 1933 in the disposition of restricted securities;
(4) purchase the securities of any issuer (other than securities issued or guaranteed by the U.S. government or any of its agencies or instrumentalities, or tax-exempt obligations issued or guaranteed by a U.S. territory or possession or a state or local government, or a political subdivision of any of the foregoing) if, as a result, more than 25% of the fund's total assets would be invested in securities of companies whose principal business activities are in the same industry;
(5) purchase or sell real estate unless acquired as a result of ownership of securities or other instruments (but this shall not prevent the fund from investing in securities or other instruments backed by real estate or securities of companies engaged in the real estate business);
(6) purchase or sell physical commodities unless acquired as a result of ownership of securities or other instruments; or
(7) lend any security or make any other loan if, as a result, more than 33 1/3% of its total assets would be lent to other parties, but this limitation does not apply to purchases of debt securities or to repurchase agreements.
(8) The fund may, notwithstanding any other fundamental investment policy or limitation, invest all of its assets in the securities of a single open-end management investment company with substantially the same fundamental investment objectives, policies, and limitations as the fund.
THE FOLLOWING INVESTMENT LIMITATIONS ARE NOT FUNDAMENTAL AND MAY BE CHANGED WITHOUT SHAREHOLDER APPROVAL.
(i) To meet federal tax requirements for qualification as a " regulated investment company," the fund limits its investments so that at the close of each quarter of its taxable year: (a) with regard to at least 50% of total assets, no more than 5% of total assets are invested in the securities of a single issuer, and (b) no more than 25% of total assets are invested in the securities of a single issuer. Limitations (a) and (b) do not apply to " Government securities" as defined for federal tax purposes.
(ii) The fund does not currently intend to sell securities short, unless it owns or has the right to obtain securities equivalent in kind and amount to the securities sold short, and provided that transactions in futures contracts and options are not deemed to constitute selling securities short.
(iii) The fund does not currently intend to purchase securities on margin, except that the fund may obtain such short-term credits as are necessary for the clearance of transactions, and provided that margin payments in connection with futures contracts and options on futures contracts shall not constitute purchasing securities on margin.
(iv) The fund may borrow money only (a) from a bank or from a registered investment company or portfolio for which FMR or an affiliate serves as investment adviser or (b) by engaging in reverse repurchase agreements with any party (reverse repurchase agreements are treated as borrowings for purposes of fundamental investment limitation (2)). The fund will not purchase any security while borrowings representing more than 5% of its total assets are outstanding. The fund will not borrow from other funds advised by FMR or its affiliates if total outstanding borrowings immediately after such borrowing would exceed 15% of the fund's total assets.
(v) The fund does not currently intend to purchase any security if, as a result, more than 10% of its net assets would be invested in securities that are deemed to be illiquid because they are subject to legal or contractual restrictions on resale or because they cannot be sold or disposed of in the ordinary course of business at approximately the prices at which they are valued.
(vi) The fund does not currently intend to invest more than 25% of its total assets in industrial revenue bonds related to a single industry.
(vi i) The fund does not currently intend to purchase or sell futures contracts or call options. This limitation does not apply to options attached to, or acquired or traded together with, their underlying securities, and does not apply to securities that incorporate features similar to options or futures contracts.
(vii i) The fund does not currently intend to engage in repurchase agreements or make loans, but this limitation does not apply to purchases of debt securities.
(ix) The fund does not currently intend to (a) purchase securities of other investment companies, except in the open market where no commission except the ordinary broker's commission is paid, or (b) purchase or retain securities issued by other open-end investment companies. Limitations (a) and (b) do not apply to securities received as dividends, through offers of exchange, or as a result of a reorganization, consolidation, or merger.
(x) The fund does not currently intend to invest all of its assets in the

securities of a single open-end management investment company with substantially the same fundamental investment objectives, policies, and limitations as the fund.

For purposes of limitations (4) and (i), FMR identifies the issuer of a security depending on its terms and conditions. In identifying the issuer, FMR will consider the entity or entities responsible for payment of interest and repayment of principal and the source of such payments; the way in which assets and revenues of an issuing political subdivision are separated from those of other political entities; and whether a governmental body is guaranteeing the security.

INVESTMENT LIMITATIONS OF SPARTAN FLORIDA MUNICIPAL INCOME PORTFOLIO (INCOME FUND)

THE FOLLOWING ARE THE INCOME FUND'S FUNDAMENTAL INVESTMENT LIMITATIONS SET FORTH IN THEIR ENTIRETY. THE FUND MAY NOT:

(1) issue senior securities, except as permitted under the Investment Company Act of 1940;

(2) borrow money, except that the fund may borrow money for temporary or emergency purposes (not for leveraging or investment) in an amount not exceeding 33 1/3% of its total assets (including the amount borrowed) less liabilities (other than borrowings). Any borrowings that come to exceed this amount will be reduced within three days (not including Sundays and holidays) to the extent necessary to comply with the 33 1/3% limitation;

(3) underwrite securities issued by others, except to the extent that the fund may be considered an underwriter within the meaning of the Securities Act of 1933 in the disposition of restricted securities;

(4) purchase the securities of any issuer (other than securities issued or guaranteed by the U.S. government or any of its agencies or instrumentalities, or tax-exempt obligations issued or guaranteed by a U.S. territory or possession or a state or local government, or a political subdivision of any of the foregoing) if, as a result, more than 25% of the fund's total assets would be invested in securities of companies whose principal business activities are in the same industry;

(5) purchase or sell real estate unless acquired as a result of ownership of securities or other instruments (but this shall not prevent the fund from investing in securities or other instruments backed by real estate or securities of companies engaged in the real estate business);

(6) purchase or sell physical commodities unless acquired as a result of ownership of securities or other instruments (but this shall not prevent the fund from purchasing or selling options and futures contracts or from investing in securities or other instruments backed by physical commodities); or

(7) lend any security or make any other loan if, as a result, more than 33 1/3% of its total assets would be lent to other parties, but this limitation does not apply to purchases of debt securities or to repurchase agreements.

THE FOLLOWING INVESTMENT LIMITATIONS ARE NOT FUNDAMENTAL AND MAY BE CHANGED WITHOUT SHAREHOLDER APPROVAL.

(i) To meet federal tax requirements for qualification as a " regulated investment company," the fund limits its investments so that at the close of each quarter of its taxable year: (a) with regard to at least 50% of total assets, no more than 5% of total assets are invested in the securities of a single issuer, and (b) no more than 25% of total assets are invested in the securities of a single issuer. Limitations (a) and (b) do not apply to " Government securities" as defined for federal tax purposes.

(ii) The fund does not currently intend to sell securities short, unless it owns or has the right to obtain securities equivalent in kind and amount to the securities sold short, and provided that transactions in futures contracts and options are not deemed to constitute selling securities short.

(iii) The fund does not currently intend to purchase securities on margin, except that the fund may obtain such short-term credits as are necessary for the clearance of transactions, and provided that margin payments in connection with futures contracts and options on futures contracts shall not constitute purchasing securities on margin.

(iv) The fund may borrow money only (a) from a bank or from a registered investment company or portfolio for which FMR or an affiliate serves as investment adviser or (b) by engaging in reverse repurchase agreements with any party (reverse repurchase agreements are treated as borrowings for purposes of fundamental investment limitation (2)). The fund will not purchase any security while borrowings representing more than 5% of its total assets are outstanding. The fund will not borrow from other funds advised by FMR or its affiliates if total outstanding borrowings immediately after such borrowing would exceed 15% of the fund's total assets.

(v) The fund does not currently intend to purchase any security if, as a result, more than 10% of its net assets would be invested in securities that are deemed to be illiquid because they are subject to legal or contractual restrictions on resale or because they cannot be disposed of in the ordinary course of business at approximately the prices at which they are valued.

(vi) The fund does not currently intend to engage in repurchase agreements or make loans, but this limitation does not apply to purchases of debt securities.

(vii) The fund does not currently intend to (a) purchase securities of other investment companies, except in the open market where no commission except the ordinary broker's commission is paid, or (b) purchase or retain securities issued by other open-end investment companies. Limitations (a) and (b) do not apply to securities received as dividends, through offers of exchange, or as a result of a reorganization, consolidation, or merger.

For purposes of limitations (4) and (i), FMR identifies the issuer of a security depending on its terms and conditions. In identifying the issuer, FMR will consider the entity or entities responsible for payment of interest and repayment of principal and the source of such payments; the way in which assets and revenues of an issuing political subdivision are separated from those of other political entities; and whether a governmental body is guaranteeing the security.

For the fund's limitations on futures and options transactions, see the section entitled " Limitations on Futures and Options Transactions" on page 7 .

INVESTMENT POLICIES

QUALITY AND MATURITY. Pursuant to procedures adopted by the Board of Trustees, the money market fund may purchase only high-quality securities that FMR believes present minimal credit risks. To be considered high-quality, a security must be a U.S. government security; rated in accordance with applicable rules in one of the two highest categories for short-term securities by at least two nationally recognized rating services (or by one, if only one rating service has rated the security); or, if unrated, judged to be of equivalent quality by FMR.

High-quality securities are divided into "first tier" and "second tier" securities. First tier securities have received the highest rating (e.g., Standard & Poor's A-1 rating) from at least two rating services (or one, if only one has rated the security). Second tier securities have received ratings within the two highest categories (e.g., Standard & Poor's A-1 or A-2) from at least two rating services (or one, if only one has rated the security), but do not qualify as first tier securities. If a security has been assigned different ratings by different ratings services, at least two rating services must have assigned the higher rating in order for FMR to determine eligibility on the basis of that higher rating. Based on procedures adopted by the Board of Trustees, FMR may determine that an unrated security is of equivalent quality to a rated first or second tier security.

The fund may not invest more that 5% of its total assets in second tier securities. In addition, the fund may not invest more than 1% of its total assets or $1 million (whichever is greater) in the second tier securities of a single issuer.

The fund must limit its investments to securities with remaining maturities of 397 days or less and must maintain a dollar-weighted average maturity of 90 days or less.

AFFILIATED BANK TRANSACTIONS. Pursuant to exemptive orders issued by the Securities and Exchange Commission (SEC), the funds may engage in transactions with banks that are, or may be considered to be, " affiliated persons" of the funds under the Investment Company Act of 1940. Such transactions may be entered into only pursuant to procedures established and periodically reviewed by the Board of Trustees. These transactions may include repurchase agreements with custodian banks; purchases, as principal, of short-term obligations of, and repurchase agreements with, the 50 largest U.S. banks (measured by deposits); transactions in municipal securities; and transactions in U.S. government securities with affiliated banks that are primary dealers in these securities.

DELAYED-DELIVERY TRANSACTIONS. Each fund may buy and sell securities on a delayed-delivery or when-issued basis. These transactions involve a commitment by a fund to purchase or sell specific securities at a predetermined price or yield, with payment and delivery taking place after the customary settlement period for that type of security (and more than seven days in the future). Typically, no interest accrues to the purchaser until the security is delivered. The income fund may receive fees for entering into delayed delivery transactions.

When purchasing securities on a delayed-delivery basis, each fund assumes the rights and risks of ownership, including the risk of price and yield fluctuations. Because a fund is not required to pay for securities until the delivery date, these risks are in addition to the risks associated with the fund's other investments. If a fund remains substantially fully invested at a time when delayed-delivery purchases are outstanding, the delayed-delivery purchases may result in a form of leverage. When delayed-delivery purchases are outstanding, the fund will set aside appropriate liquid assets in a segregated custodial account to cover its purchase obligations. When a fund has sold a security on a delayed-delivery basis, the fund does not participate in further gains or losses with respect to the security. If the other party to a delayed-delivery transaction fails to deliver or pay for the securities, the fund could miss a favorable price or yield opportunity, or could suffer a loss.

Each fund may renegotiate delayed-delivery transactions after they are entered into, and may sell underlying securities before they are delivered, which may result in capital gains or losses.

REFUNDING CONTRACTS. Spartan Florida Income may purchase securities on a when-issued basis in connection with the refinancing of an issuer's indebtedness. Refinancing contracts require the issuer to sell and the fund to buy refinanced municipal obligations at a stated price and yield on a settlement date that may be several months or several years in the future. The fund generally will not be obligated to pay the full purchase price if it fails to perform under a refunding contract. Instead, refunding contracts generally provide for payment of liquidated damages to the issuer (currently 15-20% of the purchase price). The fund may secure its obligations under a refunding contract by depositing collateral or a letter of credit equal to the liquidated damages provisions of the refunding contract. When required by SEC guidelines, the fund will place liquid assets in a segregated custodial account equal in amount to its obligations under refunding contracts.

INVERSE FLOATERS Spartan Florida Income may invest in inverse floaters, which are instruments whose interest rates bear an inverse relationship to the interest rate on another security or the value of an index. Changes in the interest rate on the other security or index inversely affect the residual interest rate paid on the inverse floater, with the result that the inverse floater's price will be considerably more volatile than that of a fixed-rate bond. For example, a municipal issuer may decide to issue two variable rate instruments instead of a single long-term, fixed-rate bond. The interest rate on one instrument reflects short-term interest rates, while the interest rate on the other instrument (the inverse floater) reflects the approximate rate the issuer would have paid on a fixed-rate bond, multiplied by two, minus the interest rate paid on the short-term instrument. Depending on market availability, the two portions may be recombined to form a fixed-rate municipal bond. The market for inverse floaters is relatively new.

VARIABLE OR FLOATING RATE DEMAND OBLIGATIONS bear variable or floating interest rates and carry rights that permit holders to demand payment of the unpaid principal balance plus accrued interest from the issuers or certain financial intermediaries. Floating rate instruments have interest rates that change whenever there is a change in a designated base rate while variable rate instruments provide for a specified periodic adjustment in the interest rate. These formulas are designed to result in a market value for the VRDO or FRDO that approximates its par value.

With respect to the money market fund, a demand instrument with a conditional demand feature must have received both a short-term and a long-term high-quality rating or, if unrated, have been determined to be of comparable quality pursuant to procedures adopted by the Board of Trustees. A demand instrument with an unconditional demand feature may be acquired solely in reliance upon a short-term high-quality rating or, if unrated, upon a finding of comparable short-term quality pursuant to procedures adopted by the Board of Trustees.

The funds may invest in fixed-rate bonds that are subject to third party puts and in participation interests in such bonds held in trust or otherwise. These bonds and participation interests have tender options or demand features that permit the funds to tender (or put) its bonds to an institution at periodic intervals and to receive the principal amount thereof. The funds consider variable rate instruments structured in this way (Participating VRDOs) to be essentially equivalent to other VRDOs they purchase. The IRS has not ruled whether the interest on Participating VRDOs is tax-exempt, and, accordingly the funds intend to purchase these instruments based on opinions of bond counsel.

Spartan Florida Money Market may invest in variable or floating rate instruments that ultimately mature in more than 397 days, if the fund acquires a right to sell the instruments that meets certain requirements set forth in Rule 2a-7. Variable rate instruments (including instruments subject to a demand feature) that mature in 397 days or less may be deemed to have maturities equal to the period remaining until the next readjustment of the interest rate. Other variable rate instruments with demand features may be deemed to have a maturity equal to the period remaining until the next adjustment of the interest rate or the period remaining until the principal amount can be recovered through demand. A floating rate instrument subject to a demand feature may be deemed to have a maturity equal to the period remaining until the principal amount can be recovered through demand. The money market fund may purchase a demand instrument with a remaining final maturity in excess of 397 days only if the demand feature can be exercised on no more than 30 days' notice (a) at any time or (b) at specific intervals not exceeding 397 days.

TENDER OPTION BONDS are created by coupling an intermediate-or long-term fixed-rate tax-exempt bond (generally held pursuant to a custodial arrangement) with a tender agreement that gives the holder the option to tender the bond at its face value. As consideration for providing the tender option, the sponsor (usually a bank, broker-dealer, or other financial institution) receives periodic fees equal to the difference between the bond's fixed coupon rate and the rate (determined by a remarketing or similar agent) that would cause the bond, coupled with the tender option, to trade at par on the date of such determination. After payment of the tender option fee, a fund effectively holds a demand obligation that bears interest at the prevailing short-term tax-exempt rate. Subject to applicable regulatory requirements, the money market fund may buy tender option bonds if the agreement gives the fund the right to tender the bond to its sponsor no less frequently than once every 397 days. In selecting tender option bonds for the funds, FMR will consider the creditworthiness of the issuer of the underlying bond, the custodian, and the third party provider of the tender option. In certain instances, a sponsor may terminate a tender option if, for example, the issuer of the

underlying bond defaults on interest payments.
ZERO COUPON BONDS. do not make regular interest payments. Instead, they are sold at a deep discount from their face value and are redeemed at face value when they mature. Because zero coupon bonds do not pay current income, their prices can be very volatile when interest rates change. In calculating its daily dividend, a fund takes into account as income a portion of the difference between a zero coupon bond's purchase price and its face value.
STANDBY COMMITMENTS are puts that entitle holders to same-day settlement at an exercise price equal to the amortized cost of the underlying security plus accrued interest, if any, at the time of exercise. Each fund may acquire standby commitments to enhance the liquidity of portfolio securities, but, in the case of the money market fund, only when the issuers of the commitments present minimal risk of default.
Ordinarily a fund will not transfer a standby commitment to a third party, although it could sell the underlying municipal security to a third party at any time. A fund may purchase standby commitments separate from or in conjunction with the purchase of securities subject to such commitments. In the latter case, the fund would pay a higher price for the securities acquired, thus reducing their yield to maturity. Standby commitments will not affect the dollar-weighted average maturity of the money market fund, or the valuation of the securities underlying the commitments.
Issuers or financial intermediaries may obtain letters of credit or other guarantees to support their ability to buy securities on demand. FMR may rely upon its evaluation of a bank's credit in determining whether to support an instrument supported by a letter of credit. In evaluating a foreign bank's credit, FMR will consider whether adequate public information about the bank is available and whether the bank may be subject to unfavorable political or economic developments, currency controls, or other governmental restrictions that might affect the bank's ability to honor its credit commitment.
Standby commitments are subject to certain risks, including the ability of issuers of standby commitments to pay for securities at the time the commitments are exercised; the fact that standby commitments are not marketable by the funds; and the possibility that the maturities of the underlying securities may be different from those of the commitments.
MUNICIPAL LEASE OBLIGATIONS. Each fund may invest a portion of its assets in municipal leases and participation interests therein. These obligations, which may take the form of a lease, an installment purchase, or a conditional sale contract, are issued by state and local governments and authorities to acquire land and a wide variety of equipment and facilities. Generally, the funds will not hold such obligations directly as a lessor of the property, but will purchase a participation interest in a municipal obligation from a bank or other third party. A participation interest gives a fund a specified, undivided interest in the obligation in proportion to its purchased interest in the total amount of the obligation.
Municipal leases frequently have risks distinct from those associated with general obligation or revenue bonds. State constitutions and statutes set forth requirements that states or municipalities must meet to incur debt. These may include voter referenda, interest rate limits, or public sale requirements. Leases, installment purchases, or conditional sale contracts (which normally provide for title to the leased asset to pass to the governmental issuer) have evolved as a means for governmental issuers to acquire property and equipment without meeting their constitutional and statutory requirements for the issuance of debt. Many leases and contracts include " non-appropriation clauses" providing that the governmental issuer has no obligation to make future payments under the lease or contract unless money is appropriated for such purposes by the appropriate legislative body on a yearly or other periodic basis. Non-appropriation clauses free the issuer from debt issuance limitations.
FEDERALLY TAXABLE OBLIGATIONS. The funds do not intend to invest in securities whose interest is federally taxable; however, from time to time, each fund may invest a portion of its assets on a temporary basis in fixed-income obligations whose interest is subject to federal income tax. For example, each fund may invest in obligations whose interest is federally taxable pending the investment or reinvestment in municipal securities of proceeds from the sale of its shares or sales of portfolio securities.
Should a fund invest in federally taxable obligations, it would purchase securities that in FMR's judgment are of high quality. These would include obligations issued or guaranteed by the U.S. government, or its agencies or instrumentalities; obligations of domestic banks; and repurchase agreements. The income fund's standards for high quality taxable obligations are essentially the same as those described by Moody's Investors Service, Inc. (Moody's) in rating corporate obligations within its two highest ratings of Prime-1 and Prime-2, and those described by Standard and Poor's Corporation (S&P) in rating corporate obligations within its two highest ratings of A-1 and A-2. The money market fund will purchase taxable obligations only if they meet its quality requirements.
Proposals to restrict or eliminate the federal income tax exemption for interest on municipal obligations are introduced before Congress from time to time. Proposals also may be introduced before the Florida legislature that would affect the state tax treatment of the funds' distributions. If such proposals were enacted, the availability of municipal obligations and the value of each fund's holdings would be affected and the Trustees would

reevaluate each fund's investment objective and policies.
Each fund anticipates being as fully invested as practicable in municipal securities; however, there may be occasions when, as a result of maturities of portfolio securities, sales of fund shares, or in order to meet redemption requests, a fund may hold cash that is not earning income. In addition, there may be occasions when, in order to raise cash to meet redemptions, a fund may be required to sell securities at a loss.
ILLIQUID INVESTMENTS are investments that cannot be sold or disposed of in the ordinary course of business at approximately the prices at which they are valued. Under the supervision of the Board of Trustees, FMR determines the liquidity of each fund's investments and, through reports from FMR, the Board monitors investments in illiquid instruments. In determining the liquidity of each fund's investments, FMR may consider various factors, including (1) the frequency of trades and quotations, (2) the number of dealers and prospective purchasers in the marketplace, (3) dealer undertakings to make a market, (4) the nature of the security (including any demand or tender features), and (5) the nature of the marketplace for trades (including the ability to assign or offset a fund's rights and obligations relating to the investment). Investments currently considered by the income fund to be illiquid include over-the-counter options. With respect to both funds, FMR may determine some, restricted securities and municipal lease obligations to be illiquid. However, with respect to over-the-counter options the income fund writes, all or a portion of the value of the underlying instrument may be illiquid depending on the assets held to cover the option and the nature and terms of any agreement the fund may have to close out the option before expiration. In the absence of market quotations, illiquid investments for the money market fund are valued for purposes of monitoring amortized cost valuation and for the income fund are priced at fair value as determined in good faith by a committee appointed by the Board of Trustees. If through a change in values, net assets, or other circumstances, a fund were in a position where more than 10% of its net assets were invested in illiquid securities, it would seek to take appropriate steps to protect liquidity.
RESTRICTED SECURITIES generally can be sold in privately negotiated transactions, pursuant to an exemption from registration under the Securities Act of 1933, or in a registered public offering. Where registration is required, a fund may be obligated to pay all or part of the registration expense and a considerable period may elapse between the time it decides to seek registration and the time a fund may be permitted to sell a security under an effective registration statement. If, during such a period, adverse market conditions were to develop, a fund might obtain a less favorable price than prevailed when it decided to seek registration of the security. However, in general, the money market fund anticipates holding restricted securities to maturity or selling them in an exempt transaction.
LOWER-RATED MUNICIPAL SECURITIES. The income fund may invest a portion of its assets in lower-rated municipal securities as described in the Prospectus.
While the market for Florida municipal securities is considered to be adequate, adverse publicity and changing investor perceptions may affect the ability of outside pricing services used by the fund to value its portfolio securities, and the fund's ability to dispose of lower-rated bonds. The outside pricing services are monitored by FMR and reported to the Board to determine whether the servicers are furnishing prices tha t accurately reflect fair value. The impact of changing investor perceptions may be especially pronounced in markets where municipal securities are thinly traded.
The income fund may choose, at its expense or in conjunction with others, to pursue litigation or otherwise exercise its rights as a security holder to seek to protect the interests of security holders if it determines this to be in the best interest of the fund's shareholders.
REPURCHASE AGREEMENTS. In a repurchase agreement, a fund purchases a security and simultaneously commits to resell that security to the seller at an agreed upon price on an agreed upon date within a number of days from the date of purchase. The resale price reflects the purchase price plus an agreed upon incremental amount which is unrelated to the coupon rate or maturity of the purchased security. A repurchase agreement is a taxable obligation which involves the obligation of the seller to pay the agreed upon price, which obligation is in effect secured by the value (at least equal to the amount of the agreed upon resale price and marked to market daily) of the underlying security. Each fund may engage in a repurchase agreement with respect to any security in which it is authorized to invest, even if the underlying security matures in more than 397 days. While it does not presently appear possible to eliminate all risks from these transactions (particularly the possibility of a decline in the market value of the underlying securities, as well as delays and costs to the fund in connection with bankruptcy proceedings), it is each fund's current policy to limit repurchase agreement transactions to those parties whose creditworthiness has been reviewed and found satisfactory by FMR.
REVERSE REPURCHASE AGREEMENTS. In a reverse repurchase agreement, a fund sells a portfolio instrument to another party, such as a bank or broker-dealer, in return for cash and agrees to repurchase the instrument at a particular price and time. While a reverse repurchase agreement is outstanding, the fund will maintain appropriate liquid assets in a segregated custodial account to cover its obligation under the agreement.

The fund will enter into reverse repurchase agreements only with parties whose creditworthiness has been found satisfactory by FMR. Such transactions may increase fluctuations in the market value of the funds' assets and may be viewed as a form of leverage.

INDEXED SECURITIES. The income fund may purchase securities whose prices are indexed to the prices of other securities, securities indices, or other financial indicators. Indexed securities typically, but not always, are debt securities or deposits whose value at maturity or coupon rate is determined by reference to a specific instrument or statistic. Indexed securities may have principal payments as well as coupon payments that depend on the performance of one or more interest rates. Their coupon rates or principal payments may change by several percentage points for every 1% interest rate change. One example of indexed securities is inverse floaters.

The performance of indexed securities depends to a great extent on the performance of the security or other instrument to which they are indexed, and may also be influenced by interest rate changes. At the same time, indexed securities are subject to the credit risks associated with the issuer of the security, and their values may decline substantially if the issuer's creditworthiness deteriorates. Indexed securities may be more volatile than the underlying instruments.

LIMITATIONS ON FUTURES AND OPTIONS TRANSACTIONS. The fund has filed a notice of eligibility for exclusion from the definition of the term "commodity pool operator" with the Commodity Futures Trading Commission (CFTC) and the National Futures Association, which regulate trading in the futures markets. The fund intends to comply with Section 4.5 of the regulations under the Commodity Exchange Act, which limits the extent to which the fund can commit assets to initial margin deposits and option premiums.

In addition, the fund will not: (a) sell futures contracts, purchase put options, or write call options if, as a result, more than 25% of the fund's total assets would be hedged with futures and options under normal conditions; (b) purchase futures contracts or write put options if, as a result, the fund's total obligations upon settlement or exercise of purchased futures contracts and written put options would exceed 25% of its total assets; or (c) purchase call options if, as a result, the current value of option premiums for call options purchased by the fund would exceed 5% of the fund's total assets. These limitations do not apply to options attached to or acquired or traded together with their underlying securities, and do not apply to securities that incorporate features similar to options.

The above limitations on the fund's investments in futures contracts and options, and the fund's policies regarding futures contracts and options discussed elsewhere in this Statement of Additional Information, may be changed as regulatory agencies permit.

FUTURES CONTRACTS. When the fund purchases a futures contract, it agrees to purchase a specified underlying instrument at a specified future date. When the fund sells a futures contract, it agrees to sell the underlying instrument at a specified future date. The price at which the purchase and sale will take place is fixed when the fund enters into the contract. Some currently available futures contracts are based on specific securities, such as U.S. Treasury bonds or notes, and some are based on indices of securities prices, such as the Bond Buyer Index of municipal bonds. Futures can be held until their delivery dates, or can be closed out before then if a liquid secondary market is available.

The value of a futures contract tends to increase and decrease in tandem with the value of its underlying instrument. Therefore, purchasing futures contracts will tend to increase the fund's exposure to positive and negative price fluctuations in the underlying instrument, much as if the fund had purchased the underlying instrument directly. When the fund sells a futures contract, by contrast, the value of its futures position will tend to move in a direction contrary to the market. Selling futures contracts, therefore, will tend to offset both positive and negative market price changes, much as if the underlying instrument had been sold.

FUTURES MARGIN PAYMENTS. The purchaser or seller of a futures contract is not required to deliver or pay for the underlying instrument unless the contract is held until the delivery date. However, both the purchaser and seller are required to deposit "initial margin" with a futures broker known as a futures commission merchant (FCM), when the contract is entered into. Initial margin deposits are typically equal to a percentage of the contract's value. If the value of either party's position declines, that party will be required to make additional "variation margin" payments to settle the change in value on a daily basis. The party that has a gain may be entitled to receive all or a portion of this amount. Initial and variation margin payments do not constitute purchasing securities on margin for purposes of the fund's investment limitations. In the event of the bankruptcy of an FCM that holds margin on behalf of the fund, the fund may be entitled to return of margin owed to it only in proportion to the amount received by the FCM's other customers, potentially resulting in losses to the fund.

PURCHASING PUT AND CALL OPTIONS. By purchasing a put option, the fund obtains the right (but not the obligation) to sell the option's underlying instrument at a fixed strike price. In return for this right, the fund pays the current market price for the option (known as the option premium). Options have various types of underlying instruments, including specific securities, indices of securities prices, and futures contracts. The fund may terminate its position in a put option it has purchased by allowing it to expire or by exercising the option. If the option is allowed to expire, the fund will lose the entire premium it paid. If the fund exercises the option, it completes the sale of the underlying instrument at the strike price. The fund may also terminate a put option position by closing it out in the secondary market at its current price, if a liquid secondary market exists.

The buyer of a typical put option can expect to realize a gain if security prices fall substantially. However, if the underlying instrument's price does not fall enough to offset the cost of purchasing the option, a put buyer can expect to suffer a loss (limited to the amount of the premium paid, plus related transaction costs).

The features of call options are essentially the same as those of put options, except that the purchaser of a call option obtains the right to purchase, rather than sell, the underlying instrument at the option's strike price. A call buyer typically attempts to participate in potential price increases of the underlying instrument with risk limited to the cost of the option if security prices fall. At the same time, the buyer can expect to suffer a loss if security prices do not rise sufficiently to offset the cost of the option.

WRITING PUT AND CALL OPTIONS. When the fund writes a put option, it takes the opposite side of the transaction from the option's purchaser. In return for receipt of the premium, the fund assumes the obligation to pay the strike price for the option's underlying instrument if the other party to the option chooses to exercise it. When writing an option on a futures contract the fund will be required to make margin payments to an FCM as described above for futures contracts. The fund may seek to terminate its position in a put option it writes before exercise by closing out the option in the secondary market at its current price. If the secondary market is not liquid for a put option the fund has written, however, the fund must continue to be prepared to pay the strike price while the option is outstanding, regardless of price changes, and must continue to set aside assets to cover its position.

If security prices rise, a put writer would generally expect to profit, although its gain would be limited to the amount of the premium it received. If security prices remain the same over time, it is likely that the writer will also profit, because it should be able to close out the option at a lower price. If security prices fall, the put writer would expect to suffer a loss. This loss should be less than the loss from purchasing the underlying instrument directly, however, because the premium received for writing the option should mitigate the effects of the decline.

Writing a call option obligates the fund to sell or deliver the option's underlying instrument, in return for the strike price, upon exercise of the option. The characteristics of writing call options are similar to those of writing put options, except that writing calls generally is a profitable strategy if prices remain the same or fall. Through receipt of the option premium, a call writer mitigates the effects of a price decline. At the same time, because a call writer must be prepared to deliver the underlying instrument in return for the strike price, even if its current value is greater, a call writer gives up some ability to participate in security price increases.

COMBINED POSITIONS. The fund may purchase and write options in combination with each other, or in combination with futures or forward contracts, to adjust the risk and return characteristics of the overall position. For example, the fund may purchase a put option and write a call option on the same underlying instrument, in order to construct a combined position whose risk and return characteristics are similar to selling a futures contract. Another possible combined position would involve writing a call option at one strike price and buying a call option at a lower price, in order to reduce the risk of the written call option in the event of a substantial price increase. Because combined options positions involve multiple trades, they result in higher transaction costs and may be more difficult to open and close out.

CORRELATION OF PRICE CHANGES. Because there are a limited number of types of exchange-traded options and futures contracts, it is likely that the standardized contracts available will not match the fund's current or anticipated investments exactly. The fund may invest in options and futures contracts based on securities with different issuers, maturities, or other characteristics from the securities in which it typically invests, which involves a risk that the options or futures position will not track the performance of the fund's other investments.

Options and futures prices can also diverge from the prices of their underlying instruments, even if the underlying instruments match the fund's investments well. Options and futures prices are affected by such factors as current and anticipated short-term interest rates, changes in volatility of the underlying instrument, and the time remaining until expiration of the contract, which may not affect security prices the same way. Imperfect correlation may also result from differing levels of demand in the options and futures markets and the securities markets, from structural differences in how options and futures and securities are traded, or from imposition of daily price fluctuation limits or trading halts. The fund may purchase or sell options and futures contracts with a greater or lesser value than the securities it wishes to hedge or intends to purchase in order to attempt to compensate for differences in volatility between the contract and the securities, although this may not be successful in all cases. If price changes in the fund's options or futures positions are poorly correlated with its other investments, the positions may fail to produce anticipated gains or result in losses that are not offset by gains in other investments.

LIQUIDITY OF OPTIONS AND FUTURES CONTRACTS. There is no assurance a liquid secondary market will exist for any particular options or futures contract at any particular time. Options may have relatively low trading volume and liquidity if their strike prices are not close to the underlying instrument's current price. In addition, exchanges may establish daily price fluctuation limits for options and futures contracts, and may halt trading if a contract's price moves upward or downward more than the limit in a given day. On volatile trading days when the price fluctuation limit is reached or a trading halt is imposed, it may be impossible for the fund to enter into new positions or close out existing positions. If the secondary market for a contract is not liquid because of price fluctuation limits or otherwise, it could prevent prompt liquidation of unfavorable positions, and potentially could require the fund to continue to hold a position until delivery or expiration regardless of changes in its value. As a result, the fund's access to other assets held to cover its options or futures positions could also be impaired.

OTC OPTIONS. Unlike exchange-traded options, which are standardized with respect to the underlying instrument, expiration date, contract size, and strike price, the terms of over-the-counter options (options not traded on exchanges) generally are established through negotiation with the other party to the option contract. While this type of arrangement allows the fund greater flexibility to tailor an option to its needs, OTC options generally involve greater credit risk than exchange-traded options, which are guaranteed by the clearing organization of the exchanges where they are traded.

ASSET COVERAGE FOR FUTURES AND OPTIONS POSITIONS. The fund will comply with guidelines established by the Securities and Exchange Commission with respect to coverage of options and futures strategies by mutual funds, and if the guidelines so require will set aside appropriate liquid assets in a segregated custodial account in the amount prescribed. Securities held in a segregated account cannot be sold while the futures or option strategy is outstanding, unless they are replaced with other suitable assets. As a result, there is a possibility that segregation of a large percentage of the fund's assets could impede portfolio management or the fund's ability to meet redemption requests or other current obligations.

ELECTRIC UTILITIES INDUSTRY. The electric utilities industry has been experiencing, or may experience in the future, problems, including (a) the effects of inflation upon construction and operating costs, (b) the availability and cost of fuel, (c) the availability and cost of capital, (d) the effects of conservation on energy demand, (e) the effects of rapidly changing environmental, safety, and licensing requirements, and other federal, state, and local regulations, (f) timely and sufficient rate increases, (g) opposition to nuclear power, and (h) increased competition.

HOUSING. Housing revenue bonds are generally issued by a state, county, city, local housing authority, or other public agency. They are secured by the revenues derived from mortgages purchased with the proceeds of the bond issue. It is extremely difficult to predict the supply of available mortgages to be purchased with the proceeds of an issue or the future cash flow from the underlying mortgages. Consequently, there are risks that proceeds will exceed supply, resulting in early retirement of bonds, or that homeowner repayments will create an irregular cash flow.

Many factors may affect the financing of multi-family housing projects, including acceptable completion of construction, proper management, occupancy and rent levels, economic conditions, and changes to current laws and regulations.

HEALTH CARE INDUSTRY. The health care industry is subject to regulatory action by a number of private and governmental agencies, including federal, state, and local governmental agencies. A major source of revenues for the health care industry is payments from the Medicare and Medicaid programs. As a result, the industry is sensitive to legislative changes and reductions in governmental spending for such programs. Numerous other factors may affect the industry, such as general and local economic conditions; demand for services; expenses (including malpractice insurance premiums); and competition among health care providers. In the future, the following elements may adversely affect health care facility operations: adoption of legislation proposing a national health insurance program; medical and technological advances which dramatically alter the need for health services or the way in which such services are delivered; and efforts by employers, insurers, and governmental agencies to reduce the costs of health insurance and healthcare services.

SPECIAL FACTORS AFFECTING FLORIDA

THE STATE BUDGET. The State operates under a biennial budget which is formulated in even numbered years and presented for approval to the Legislature in odd numbered years. A supplemental budget request process is utilized in the even numbered years for refining and modifying the primary budget. Under the State Constitution and applicable statutes, the State budget as a whole and each separate fund within the State budget, must be kept in balance from currently available revenues during each State fiscal year. (The State's fiscal year runs from July 1 through June 30.) The Governor and the Comptroller of the State are charged with the responsibility of ensuring that sufficient revenues are collected to meet appropriations and that no deficit occurs in any State fund.

The financial operations of the State covering all receipts and expenditures are maintained through the use of three types of funds; the General Revenue Fund, Trust Funds, and Working Capital Fund. The majority of the State's tax revenues are deposited in the General Revenue Fund and moneys in the General Revenue Fund are expended pursuant to appropriations acts. In fiscal year 199 2 -199 3 , expenditures for education, health and welfare, and public safety represented approximately 49 %, 30 %, and 11 % respectively, of expenditures from the General Revenue Fund. The Trust Funds consist of moneys received by the State which, under law or trust agreement, are segregated for a purpose authorized by law. Revenues in the General Revenue Fund exceeding the amount needed to meet appropriations may be transferred to the Working Capital Fund.

REVENUES. Estimated revenues of $13,010 million for 1993-94 (excluding Hurricane Andrew related revenues and expenses) represent an increase of 7.9% over revenues for 1992-93. Estimated revenues for 1994-95 of $13,947 million (excluding Hurricane Andrew impacts) represent an increase of 7.2% over 1993-1994.

In fiscal year 199 2 -199 3 , the State derived approximately 6 2 % of its total direct revenues for deposit in the General Revenue Fund, Trust Funds, and Working Capital Fund from State taxes. Federal grants and other special revenues account for the remaining revenues. The greatest single source of tax receipts in the State is the sales and use tax. For the fiscal year ended June 30, 199 3 , receipts from the sales and use tax totaled $ 9,426 million, an increase of approximately 12.5 % over fiscal year 19 91 -9 2 . This amount includes non-recurring increases attributable to the rebuilding and reconstruction following the hurricane. The second largest source of State tax receipts is the tax on motor fuels. Receipts from the taxes on motor fuels are almost entirely dedicated to Trust Funds for specific purposes and are not included in the General Revenue Fund. For the fiscal year ended June 30, 199 2 , preliminary data indicate that collections of this tax totaled $1, 475.5 million .

The State does not impose a personal income tax or ad valorem taxes on real property or tangible personal property. The imposition of any such tax by the State would require approval by referendum of an amendment to the State Constitution. However, the State does impose a corporate income tax on the net income of corporations, organizations, associations, and other artificial entities for the privilege of conducting business, deriving income or existing within the State. For the fiscal year ended June 30, 199 3 , receipts from the corporate income tax totaled $ 846 .6 million, a n increase of approximately 5.6 % from fiscal year 19 92 -9 3 . The Documentary Stamp Tax collections totaled $ 639 million during fiscal year 199 2 -9 3 , an increase of approximately 2.7 % over fiscal year 19 91 -9 2 . The Alcoholic Beverage Tax, an excise tax on beer, wine, and liquor, totaled $442.2 million in 1992-93, an increase of 1.6% from fiscal year 1991-92 . The Florida lottery produced sales of $2.1 3 billion of which $8 10.4 million was used for education in fiscal year 199 1 -9 2 .

The primary source of revenue for local governments is ad valorem taxes on real estate and tangible personal property. Under the State Constitution, ad valorem taxes may not be levied by counties, municipalities, school districts, and water management districts in excess of the following respective millages upon the assessed value of real estate and tangible personal property: for all county purposes, 10 mills; for all municipal purposes, 10 mills; for all school purposes, 10 mills; and for water management purposes, either 0.05 mill or 1.0 mill, depending upon geographic location. These millage limitations do not apply to taxes levied for payment of bonds and taxes levied for periods not longer than two years when authorized by a vote of the electors. (Note: one mill equals one-tenth of one cent).

The State Constitution and statutes provide for the exemption of homesteads from certain taxes. The homestead exemption is an exemption from all taxation, except for assessments for special benefits, up to a specific amount of the assessed valuation of the homestead. This exemption is available to every person who has the legal or equitable title to real estate and maintains thereon his or her permanent home. All permanent residents of the State are currently entitled to a $25,000 homestead exemption from levies by all taxing authorities, however, such exemption is subject to change upon voter approval.

On November 3, 1992, the voters of the State of Florida passed an amendment to the Florida Constitution establishing a limitation on the annual increase in assessed valuation of homestead property, of the lesser of 3% or the increase in the Consumer Price Index during the relevant year, except in the event of a sale thereof during such year, and except as to improvements thereto during such year. Assessments as of January 1, 1993 will not be subject to the foregoing limitation. The amendment did not alter any of the millage rates described above.

Since municipalities, counties, school districts and other special purpose units of local governments with power to issue general obligation bonds have authority to increase the millage levy for voter approved general obligation debt to the amount necessary to satisfy the related debt service requirements, the amendment is not expected to adversely affect the ability of these entities to pay the principal of or interest on such general obligation bonds. However, in periods of high inflation, those local government units whose operating millage levies are approaching the constitutional cap and whose tax base consists largely of residential real estate, may, as a result of the above-described amendment, need to place greater reliance on non-ad valorem revenue sources to meet their operating budget needs.

STATE BONDS. The State Constitution does not permit the State to issue debt obligations to fund governmental operations. Generally, the State Constitution authorizes State bonds pledging the full faith and credit of the State only to finance or refinance the cost of State fixed capital outlay projects, upon approval by a vote of the electors, and provided that the total outstanding principal amount of such bonds does not exceed 50% of the total tax revenues of the State for the two preceding fiscal years. Revenue bonds may be issued by the State or its agencies without a vote of the electors only to finance or refinance the cost of State fixed capital outlay projects which are payable solely from funds derived directly from sources other than State tax revenues.

Exceptions to the general provisions regarding the full faith and credit pledge of the State are contained in specific provisions of the State Constitution which authorize the pledge of the full faith and credit of the State, without electorate approval, but subject to specific coverage requirements, for: certain road projects, county education projects, State higher education projects, the State system of public education, construction of air and water pollution control and abatement facilities, solid waste disposal facilities, and certain other water facilities.

LOCAL BONDS. The State Constitution provides that counties, school districts, municipalities, special districts, and local governmental bodies with taxing powers may issue debt obligations payable from ad valorem taxation and maturing more than 12 months after issuance, only (i) to finance or refinance capital projects authorized by law, provided that electorate approval is obtained; or (ii) to refund outstanding debt obligations and interest and redemption premium thereon at a lower net average interest cost rate.

Counties, municipalities, and special districts are authorized to issue revenue bonds to finance a variety of self-liquidating projects pursuant to the laws of the State. Such revenue bonds are to be secured by and payable from the rates, fees, tolls, rentals, and other changes for the services and facilities furnished by the financed projects. Under State law, counties and municipalities are permitted to issue bonds payable from special tax sources for a variety of purposes, and municipalities and special districts may issue special assessment bonds.

THE STATE ECONOMY. The State has grown dramatically since 1980 and ranks fourth among the 50 states with an estimated population of 13. 4 million, an increase of approximately 41.5 % since 1980. Since 1980, the prime working age population (18-44) has grown at an average annual rate of 3. 3 %. Florida's total working age population (18-59) comprises 5 4 % of the total state population. Non-farm employment grew by approximately 5 7.9 % since 1980. The service sector is Florida's largest employment sector, presently accounting for 31.7 % of total non-farm employment. Manufacturing jobs in Florida are concentrated in the area of high-tech and value added sectors, such as electrical and electronic equipment as well as printing and publishing. Job gains in Florida's manufacturing sector have exceeded national averages , increasing by 8.4 % between 1980 and 199 2. Although the job creation rate for the State of Florida since 1980 is over two times the rate for the nation as a whole, since 1989 the unemployment rate for the State has risen faster than the national average. The average rate of unemployment for Florida since 1980 is 6.5%, while the national average is 7.1%.

On August 24, 1992 Hurricane Andrew passed through South Florida. Property damage is estimated to be between $20 and $30 billion. The office of the Governor has estimated that the costs to State and local governments for emergency services and damage to public facilities and infrastructure are approximately $1 billion. The Governor's office has estimated lost State revenue to be between $21.5 million and $38.5 million including utilities taxes, lottery revenues, tolls and State Park fees. For the local governments in Dade County and the Dade County School Board lost revenues are estimated to be between $155.9 million and $258.6 million as a result of reduction in property values.

The U.S. Congress has passed a disaster aid package which will provide $10.6 billion in aid to South Florida. This includes Federal Emergency Management Agency (" FEMA") payment to State and local governments for repair to facilities owned by local governments, schools and universities, additional costs for debris removal and public safety services related to the hurricane and grants to State and local governments to make up for lost revenue. Also included is funding for grants and loans to individuals for small business assistance, economic development, housing allowance and repairs. The State will be required to match the FEMA funding for those grants and loans with $32.5 million of State and local money. FEMA also has an Individual and Family Grants Program which is available to uninsured and under-insured households through which up to $11,500 per household is available to help cover losses. The State will be required to match this program 25% to the FEMA's 75%. At this time, the State estimates

its matching requirement will not exceed $100 million.
The Florida Revenue Estimating Conference has estimated additional non-recurring General Revenues as a result of the hurricane totaling $ 645.8 million during fiscal years 1992-93 , 1993-94 and 1994-95 . In a special session of the Legislature held December 9 to December 11, 1992, the Legislature enacted a law that sets aside an estimated $ 630.4 million of the $ 645.8 million to be used by State and local government agencies to defray a wide array of expenditures related to Hurricane Andrew.

The ability of the State and its local units of government to repay indebtedness may be affected by numerous factors which impact on the economic vitality of the State in general and the particular region of the State in which the issuer of the debt is located. South Florida is particularly susceptible to international trade and currency imbalances and to economic dislocations in Central and South America, due to its geographical location and its involvement with foreign trade, tourism, and investment capital. The central and northern portions of the State are impacted by problems in the agricultural sector, particularly with regard to the citrus and sugar industries. Short-term adverse economic conditions may be created in these areas, and in the State as a whole, due to crop failures, severe weather conditions, or other agriculture-related problems. The State economy also has historically been somewhat dependent on the tourism and construction industries and is sensitive to trends in those sectors.

The foregoing information regarding the State and its local units of government constitutes only a brief summary and does not purport to be a complete description of the matters covered. This summary is based solely upon information drawn from official statements relating to offerings of general obligation bonds of the State and has not been independently verified.

SPECIAL FACTORS AFFECTING PUERTO RICO

The following only highlights some of the more significant financial trends and problems affecting the Commonwealth of Puerto Rico (the " Commonwealth" or " Puerto Rico"), and is based on information drawn from official statements and prospectuses relating to the securities offerings of Puerto Rico, its agencies and instrumentalities, as available on the date of this Statement of Additional Information. FMR has not independently verified any of the information contained in such official statements, prospectuses and other publicly available documents, but is not aware of any fact which would render such information materially inaccurate.

The economy of Puerto Rico is closely linked with that of the United States, and in fiscal 1992 trade with the United States accounted for approximately 88% of Puerto Rico's exports and approximately 68% of its imports. In this regard, in fiscal 1992 Puerto Rico experienced a $2,940,300,000 positive adjusted merchandise trade balance. Since fiscal 1987 personal income, both aggregate and per capita, have increased consistently each fiscal year. In fiscal 1992 aggregate personal income was $22.7 billion and personal per capita income was $6,360. Gross domestic product in fiscal 1989, 1990, 1991 and 1992 was $19,954,000, $21,619,000, 22,857,000, and $23,620,000 respectively. For fiscal 1993, an increase in gross domestic product of 2.9% over fiscal 1992 is forecasted. However, actual growth in the Puerto Rico economy will depend on several factors including the condition of the U.S. economy, the exchange rate for the U.S. dollar, the price stability of oil imports, and interest rates. Due to these factors there is no assurance that the economy of Puerto Rico will continue to grow.

Puerto Rico has made marked improvements in fighting unemployment. Unemployment is at a low level compared to that of the late 1970s, but it still remains significantly above the United States average. Despite long term improvements the unemployment rate rose from 15.2% to 16.5% from fiscal 1991 to fiscal 1992. At the end of the third quarter of fiscal 1993 the unemployment rate in Puerto Rico stood at 17.3%. There is a possibility that the unemployment rate will continue to increase.

The economy of Puerto Rico has undergone a transformation in the later half of this century from one centered around agriculture, to one dominated by the manufacturing and service industries. Manufacturing is the cornerstone of Puerto Rico's economy, accounting for $13.2 billion or 38.7% of gross domestic product in 1992. However, manufacturing has experienced a basic change over the years as a result of the influx of higher wage, high technology industries such as the pharmaceutical industry, electronics, computers, micro-processors, scientific instruments and high technology machinery. The service sector, which includes wholesale and retail trade, finance and real estate, ranks second in its contribution to gross domestic product and is the sector that employs the greatest number of people. In fiscal 1992, the service sector generated $13.0 billion in gross domestic product or 38.3% of the total and employed over 449,000 workers providing 46% of total employment. The government sector and tourism also contribute to the island economy each accounting for $3.7 billion and $1.5 billion in fiscal 1992, respectively.

Much of the development of the manufacturing sector of the economy of Puerto Rico is attributable to federal and Commonwealth tax incentives, most notably section 936 of the Internal Revenue Code of 1986, as amended (" Section 936") and the Commonwealth's Industrial Incentives Program. Section 936 currently grants U.S. corporations that meet certain criteria and elect its application a credit against their U.S. corporate income tax on the portion of the tax attributable to (i) income derived from the active conduct of a trade or business in Puerto Rico ("active income"), or from the sale or exchange of substantially all the assets used in the active conduct of such trade or business, and (ii) qualified possession source investment income ("passive income"). The Industrial Incentives Program, through the 1987 Industrial Incentives Act, grants corporations engaged in certain qualified activities a fixed 90% exemption from Commonwealth income and property taxes and a 60% exemption from municipal license taxes.

On August 16, 1993, President Clinton signed a bill amending Section 936. Under the amendments, U.S. corporations with operations in Puerto Rico can elect to receive a federal income tax credit equal to: 40% of the credit currently available, phased in over a five year period, starting at 60% of the current credit, or a credit based on investment and wages. The investment and wage credit would equal the sum of (i) 60% of qualified compensation to employees, (ii) a specified percentage of depreciation deductions with respect to tangible property located in Puerto Rico, and (iii) a portion of income taxed paid to Puerto Rico, up to a 9% effective tax rate, subject to certain requirements. It is not possible to determine at this time whether the reductions in tax incentives for operations in Puerto Rico will have a significant impact on the economy of Puerto Rico or the time period in which such impact would arise.

PORTFOLIO TRANSACTIONS

All orders for the purchase or sale of portfolio securities are placed on behalf of the funds by FMR (either directly or through affiliated sub-advisers) pursuant to authority contained in the management contracts. FMR is also responsible for the placement of transaction orders for other investment companies and accounts for which it or its affiliates act as investment adviser. Securities purchased and sold by the money market fund generally will be traded on a net basis (i.e., without commission). In selecting broker-dealers, subject to applicable limitations of the federal securities laws, FMR will consider various relevant factors, including, but not limited to, the size and type of the transaction; the nature and character of the markets for the security to be purchased or sold; the execution efficiency, settlement capability, and financial condition of the broker-dealer firm; the broker-dealer's execution services rendered on a continuing basis; and the reasonableness of any commissions.

The funds may execute portfolio transactions with broker-dealers who provide research and execution services to a funds or other accounts over which FMR or its affiliates exercise investment discretion. Such services may include advice concerning the value of securities; the advisability of investing in, purchasing, or selling securities; the availability of securities or the purchasers or sellers of securities; furnishing analyses and reports concerning issuers, industries, securities, economic factors and trends, portfolio strategy, and performance of accounts; and effecting securities transactions and performing functions incidental thereto (such as clearance and settlement). FMR maintains a listing of broker-dealers who provide such services on a regular basis. However, as many transactions on behalf of the funds are placed with broker-dealers (including broker-dealers on the list) without regard to the furnishing of such services, it is not possible to estimate the proportion of such transactions directed to such broker-dealers solely because such services were provided. The selection of such broker-dealers is generally made by FMR (to the extent possible consistent with execution considerations) based upon the quality of research and execution services provided.

The receipt of research from broker-dealers that execute transactions on behalf of the funds may be useful to FMR in rendering investment management services to the funds or their other clients, and, conversely, such research provided by broker-dealers who have executed transaction orders on behalf of other FMR clients may be useful to FMR in carrying out its obligations to the funds. The receipt of such research has not reduced FMR's normal independent research activities; however, it enables FMR to avoid additional expenses that could be incurred if FMR tried to develop comparable information through its own efforts.

Subject to applicable limitations of the federal securities laws, broker-dealers may receive commissions for agency transactions that are in excess of the amount of commissions charged by other broker-dealers in recognition of their research and execution services. In order to cause the funds to pay such higher commissions, FMR must determine in good faith that such commissions are reasonable in relation to the value of the brokerage and research services provided by such executing broker-dealers, viewed in terms of a particular transaction or FMR's overall responsibilities to the funds and its other clients. In reaching this determination, FMR will not attempt to place a specific dollar value on the brokerage and research services provided, or to determine what portion of the compensation should be related to those services.

FMR is authorized to use research services provided by and to place portfolio transactions with brokerage firms that have provided assistance in the distribution of shares of the funds or shares of other Fidelity funds, to the extent permitted by law. FMR may use research services provided by and place agency transactions with Fidelity Brokerage Services, Inc. (FBSI), a member of the New York Stock Exchange and subsidiary of FMR Corp., if the commissions are fair and reasonable and comparable to commissions charged by non-affiliated, qualified brokerage firms for

similar services.
Section 11(a) of the Securities Exchange Act of 1934 prohibits members of national securities exchanges from executing exchange transactions for accounts which they or their affiliates manage, except in accordance with regulations of the Securities and Exchange Commission. Pursuant to such regulations, the Board of Trustees has approved a written agreement that permits FBSI to effect portfolio transactions on national securities exchanges and to retain compensation in connection with such transactions.
The Trustees periodically review FMR's performance of its responsibilities in connection with the placement of portfolio transactions on behalf of the funds and review the commissions paid by the funds over representative periods of time to determine if they are reasonable in relation to the benefits to the fund.
The income fund's portfolio turnover rate for the fiscal period March 16, 1992 (commencement of operations) to November 30, 1992 and fiscal 1993 was 38% (annualized) and 50 %, respectively.
From time to time the Trustees will review whether the recapture for the benefit of the funds of some portion of the brokerage commissions or similar fees paid by the funds on portfolio transactions is legally permissible and advisable. The funds seek to recapture soliciting broker-dealer fees on the tender of portfolio securities, but at present no other recapture arrangements are in effect. The Trustees intend to continue to review whether recapture opportunities are available and are legally permissible and, if so, to determine in the exercise of their business judgment whether it would be advisable for the funds to seek such recapture.
Although the Trustees and officers of the funds are substantially the same as those of other funds managed by FMR, investment decisions for the funds are made independently from those of other funds managed by FMR or accounts managed by FMR affiliates. It sometimes happens that the same security is held in the portfolio of more than one of these funds or accounts. Simultaneous transactions are inevitable when several funds are managed by the same investment adviser, particularly when the same security is suitable for the investment objective of more than one fund.
When two or more funds are simultaneously engaged in the purchase or sale of the same security, the prices and amounts are allocated in accordance with a formula considered by the officers of the funds involved to be equitable to each fund. In some cases, this system could have a detrimental effect on the price or value of the security as far as a fund is concerned. In other cases, however, the ability of the funds to participate in volume transactions will produce better executions and prices for the funds. It is the current opinion of the Trustees that the desirability of retaining FMR as investment adviser to the funds outweighs any disadvantages that may be said to exist from exposure to simultaneous transactions.
VALUATION OF PORTFOLIO SECURITIES
INCOME FUND. Valuations of portfolio securities furnished by the pricing service employed by the income fund are based upon a computerized matrix system or appraisals by the pricing service, in each case in reliance upon information concerning market transactions and quotations from recognized municipal securities dealers. The methods used by the pricing service and the quality of valuations so established are reviewed by officers of the fund and FSC under the general supervision of the Board of Trustees. There are a number of pricing services available, and the Trustees, or officers acting on behalf of the Trustees, on the basis of on-going evaluation of these services, may use other pricing services or discontinue the use of any pricing service in whole or in part. Futures contracts and options are valued on the basis of market quotations, if available.
MONEY MARKET FUND. The money market fund values its investments on the basis of amortized cost. This technique involves valuing an instrument at its cost as adjusted for amortization of premium or accretion of discount rather than its value based on current market quotations or appropriate substitutes which reflect current market conditions. The amortized cost value of an instrument may be higher or lower than the price the money market fund would receive if it sold the instrument.
Valuing the money market fund's instruments on the basis of amortized cost and use of the term " money market fund" are permitted by Rule 2a-7 under the 1940 Act. The fund must adhere to certain conditions under Rule 2a-7; these conditions are summarized in the Prospectus.
The Board of Trustees of the money market fund oversee FMR's adherence to SEC rules concerning money market funds, and has established procedures designed to stabilize the money market fund's NAV at $1.00. At such intervals as they deem appropriate, the Trustees consider the extent to which NAV calculated by using market valuations would deviate from $1.00 per share. If the Trustees believe that a deviation from the money market fund's amortized cost per share may result in material dilution or other unfair results to shareholders, the Trustees have agreed to take such corrective action, if any, as they deem appropriate to eliminate or reduce, to the extent reasonably practicable, the dilution or unfair results. Such corrective action could include selling portfolio instruments prior to maturity to realize capital gains or losses or to shorten average portfolio maturity; withholding dividends; redeeming shares in kind; establishing NAV by using available market quotations; and such other measures as the Trustees may deem appropriate.
During periods of declining interest rates, the money market fund's yield based on amortized cost may be higher than the yield based on market

valuations. Under these circumstances, a shareholder in the money market fund would be able to obtain a somewhat higher yield than would result if the fund utilized market valuations to determine its NAV. The converse would apply in a period of rising interest rates.

PERFORMANCE

The funds may quote performance in various ways. All performance information supplied by the funds in advertising is historical and is not intended to indicate future returns. The income fund's share price and both funds' yields and total returns fluctuate in response to market conditions and other factors. The value of the income fund's shares when redeemed may be worth more or less than their original cost.

YIELD CALCULATIONS. To compute the MONEY MARKET FUND'S yield for a period, the net change in value of a hypothetical account containing one share reflects the value of additional shares purchased with dividends from the one original share and dividends declared on both the original share and any additional shares. The net change is then divided by the value of the account at the beginning of the period to obtain a base period return. This base period return is annualized to obtain a current annualized yield. The money market fund may also calculate a compound effective yield by compounding the base period return over a one-year period. In addition to the current yield, the money market fund may quote yields in advertising based on any historical seven-day period. Yields for the money market fund are calculated on the same basis as other money market funds, as required by regulation.

The INCOME FUND'S yields used in advertising are computed by dividing the fund's interest income for a given 30-day or one-month period, net of expenses, by the average number of shares entitled to receive dividends during the period, dividing this figure by the fund's (NAV) at the end of the period, and annualizing the result (assuming compounding of income) in order to arrive at an annual percentage rate. Yields do not reflect the income fund's .50% redemption fee, which applies to shares held less than 180 days. Income is calculated for purposes of the income fund's yield quotations in accordance with standardized methods applicable to all stock and bond funds. In general, interest income is reduced with respect to bonds trading at a premium over their par value by subtracting a portion of the premium from income on a daily basis, and is increased with respect to bonds trading at a discount by adding a portion of the discount to daily income. Capital gains and losses generally are excluded from the calculation.

Income calculated for purposes of determining the income fund's yield differs from income as determined for other accounting purposes. Because of the different accounting methods used, and because of the compounding of income assumed in yield calculations, the income fund's yield may not equal its distribution rate, the income paid to your account, or the income reported in the income fund's financial statements.

A fund's tax-equivalent yield is the rate an investor would have to earn from a fully taxable investment to equal the fund's tax-free yield. Tax-equivalent yields are calculated by dividing a fund's yield by the result of one minus a stated federal tax rate. (If only a portion of the fund's yield is tax-exempt, only that portion is adjusted in the calculation.)

The table below shows the effect of a shareholder's tax status on effective yield under federal income tax laws for 1994. It shows the approximate yield a taxable security must earn at various income brackets to produce after-tax yields equivalent to those of tax-exempt obligations yielding from 2.0% to 8.0%. Of course, no assurance can be given that a fund will achieve any specific tax-exempt yield. While each fund invests principally in obligations whose interest is exempt from federal income tax, other income received by the funds may be taxable.

1994 TAX RATES AND TAX-EQUIVALENT YIELDS

Taxable Income* Single Return	Joint Return	Federal Tax Bracket	If Tax-Free Yield is: 2.00%	3.00%	4.00%	5.00%	6.00%	7.00%	8.00%
			Then taxable-equivalent yield is:						
$22,751 - $55,100	$38,001 - $91,850	28%	2.78%	4.17%	5.56%	6.94%	8.33%	9.72%	11.11%
$55,101 - $115,000	$91,851 - $140,000	31%	2.90%	4.35%	5.80%	7.25%	8.70%	10.14%	11.59%
$115,001 - $250,000	$140,001 - $250,000	36%	3.13%	4.69%	6.25%	7.81%	9.38%	10.94%	12.50%
$250,001 - +	$250,001 - +	39.6%	3.31%	4.97%	6.62%	8.28%	9.93%	11.59%	13.25%

* Taxable income (gross income after all exemptions, adjustments, and deductions) based on 1994 tax rates.

Each fund may invest a portion of its assets in obligations that are subject to federal income tax. When a fund invests in these obligations, its tax-equivalent yield will be lower. In the table above, tax-equivalent yields are calculated assuming investments are 100% federally tax-free .
In fiscal 1993, 0% of each fund's income was subject to federal tax.

Yield information may be useful in reviewing the funds' performance and in providing a basis for comparison with other investment alternatives. However, the funds' yields fluctuate, unlike investments that pay a fixed interest rate over a stated period of time. When comparing investment alternatives, investors should also note the quality and maturity of the portfolio securities of the respective investment companies they have chosen to consider.

Investors should recognize that in periods of declining interest rates, the funds' yields will tend to be somewhat higher than prevailing market rates, and in periods of rising interest rates, the funds' yields will tend to be somewhat lower. Also, when interest rates are falling, the inflow of net new money to the funds from the continuous sale of shares will likely be invested in instruments producing lower yields than the balance of the funds' holdings, thereby reducing the funds' current yields. In periods of rising interest rates, the opposite can be expected to occur.

TOTAL RETURN CALCULATIONS. Total returns quoted in advertising reflect all aspects of a fund's returns, including the effect of reinvesting dividends and capital gain distributions (if any), and any change in the funds' NAV over the period. Average annual total returns are calculated by determining the growth or decline in value of a hypothetical historical investment in a fund over a stated period, and then calculating the annually compounded percentage rate that would have produced the same result if the rate of growth or decline in value had been constant over the entire period. For example, a cumulative return of 100% over ten years would produce an average annual return of 7.18%, which is the steady annual rate that would equal 100% growth on a compounded basis in ten years. While average annual total returns are a convenient means of comparing investment alternatives, investors should realize that a fund's performance is not constant over time, but changes from year to year, and that average annual total returns represent averaged figures as opposed to actual year-to-year performance of a fund.

In addition to average annual total returns, a fund may quote unaveraged or cumulative total returns reflecting the simple change in value of an investment over a stated period. Average annual and cumulative total returns may be quoted as a percentage or as a dollar amount, and may be calculated for a single investment, a series of investments, or a series of redemptions, over any time period. Total returns may be broken down into their components of income and capital (including capital gains and changes in share price) in order to illustrate the relationship of these factors and their contributions to total return. An example of this type of illustration is given below. Total returns, yields, and other performance information may be quoted numerically or in a table, graph, or similar illustration and may omit or include the effect of each fund's $5.00 account closeout fee and, with respect to the income fund, the .50% redemption fee applicable to shares held less than 180 days, or other charges for special transactions or services. Omitting fees and charges will cause the funds' total return figures to be higher.

NET ASSET VALUE. Charts and graphs using the income fund's net asset values, adjusted net asset values, and benchmark indicates may be used to exhibit performance. An adjusted NAV includes any distributions paid by the fund and reflects all elements of its return. Unless otherwise indicated, the fund's adjusted NAV's are not adjusted for sales charges, if any.

HISTORICAL RETURNS. The following table shows the funds' total returns for the periods ended November 30, 1993. Figures include the effect of each fund's $5 account closeout fee based on an average size account. The income fund's total returns do not include the effect of the .50% redemption fee applicable to shares held less than 180 days.

	CUMULATIVE TOTAL RETURNS		AVERAGE ANNUAL TOTAL RETURNS	
	One Year	Life of Fund*	One Year	Life of Fund*
Money Market Fund	2.50 %	3.30 %	2.50 %	2.59 %
Income Fund	13.51 %	24.79 %	13.51 %	13.81 %

* The money market fund commenced operations on August 24, 1992 and the income fund commenced operations on March 16, 1992.

The money market fund's 7-day yield as of November 30, 1993 was 2.26 % with a corresponding tax-equivalent yield of 3.53 %. The income fund's 30-day yield as of November 30, 1993 was 5.06 % with a corresponding tax-equivalent yield of 7.91 %. Tax-equivalent yields are based on the 1994 federal income tax bracket of 36 %. If FMR had not reimbursed certain fund expenses during the period, the yields and tax-equivalent yields would have been 1.94 % and 3.03 %, respectively, for the money market fund and 4.76 % and 7.44 %, respectively, for the income fund, and both funds' total returns would have been lower. These figures do not reflect the funds' $5 account closeout fees.

The following tables show the income and capital elements of each fund's total returns from commencement of operations through November 30, 1993. The tables compare each fund's return to the record of the Standard & Poor's 500 Composite Stock Price Index (S&P 500), the Dow Jones Industrial Average (DJIA), and the cost of living (measured by the Consumer Price Index, or CPI) over the same period. The S&P 500 and DJIA comparisons are provided to show how each fund's total return compared to the return of a broad average of common stocks and a narrower set of stocks of major industrial companies, respectively, over the same period. Of course, since the funds invest in money market and fixed-income securities, common stocks represent a different type of investment from the funds. Common stocks generally offer greater potential growth than the funds, but generally experience greater price volatility which means a greater potential for loss. In addition, common stocks generally provide lower income than a money market or bond fund investment such as the funds. The S&P 500 and DJIA are based on the prices of unmanaged groups of stocks and, unlike the funds' returns, their returns do not include the effect of paying brokerage commissions or other costs of investing.

MONEY MARKET FUND. During the period August 24, 1992 (commencement of operations) through November 30, 1993, a hypothetical $10,000 investment in the money market fund would have grown to $ 10,331 , assuming all distributions were reinvested. This was a period of fluctuating interest rates and should not be considered representative of the dividend income or capital gain or loss that could be realized from an investment in the fund today.

SPARTAN FLORIDA MUNICIPAL MONEY MARKET PORTFOLIO

Year Ended November 30 ,	Value of Initial $10,000 Investment	Value of Reinvested Dividend Distributions	Value of Reinvested Capital Gain Distributions	Total Value	INDICES S&P 500	DJIA	Cost of Living**
1992*	$10,000	$78	$0	$10,078	$10,489	$10,241	$10,078
1993	$ 10,000	$ 331	$ 0	$ 10,331	$ 11,548	$ 11,750	$ 10,348

* From August 24, 1992 (commencement of operations).
** From month-end closest to initial investment date.

Explanatory Notes: With an initial investment of $10,000 made on August 24, 1992, the net amount invested in fund shares was $10,000. The cost of the initial investment ($10,000), together with the aggregate cost of reinvested dividends for the period covered (their cash value at the time they were reinvested), amounted to $ 10,331 . If distributions had not been reinvested, the amount of distributions earned from the fund over time would have been smaller, and cash payments (dividends) for the period would have amounted to $ 326. The fund did not distribute any capital gains during the period. If FMR had not reimbursed certain fund expenses, the fund's total returns would have been lower. The figures in the table do not include the effect of the fund's $5 account closeout fee.

INCOME FUND. During the period March 16, 1992 (commencement of operations) through November 30, 1993, a hypothetical $10,000 investment in the fund would have grown to $ 12,480 assuming all distributions were reinvested. This was a period of fluctuating interest rates and bond prices, and should not be considered representative of the dividend income or capital gain or loss that could be realized from an investment in the fund today.

SPARTAN FLORIDA MUNICIPAL INCOME FUND

Year Ended November 30	Value of Initial $10,000 Investment	Value of Reinvested Dividend Distributions	Value of Reinvested Capital Gain Distributions	Total Value	INDICES S&P 500	DJIA	Cost of Living**
1992*	$10,520	$474	$0	$10,994	$10,864	$10,431	$10,194
1993	$ 11,290	$ 1,179	$ 11	$ 12,480	$ 11,962	$ 11,968	$ 10,467

*From March 16, 1992 (commencement of operations).
**From month-end closest to initial investment date.

Explanatory Notes: With an initial investment of $10,000 made on March 16, 1992, the net amount invested in fund shares was $10,000. The cost of the initial investment ($10,000), together with the aggregate cost of reinvested dividends for the period covered (their cash value at the time they were reinvested), amounted to $ 11,139 . If distributions had not been reinvested, the amount of distributions earned from the fund over time would have been smaller, and cash payments for the period would have amounted to $ 1,074 for income dividends and $ 10 for capital gain distributions. If FMR had not reimbursed certain fund expenses, the fund's total returns would have been lower. The figures in the table do not include the effect of the fund's $5 account closeout fee, or the .50% redemption fee applicable to shares held less than 180 days.

A fund's performance may be compared to the performance of other mutual funds in general, or to the performance of particular types of mutual funds. These comparisons may be expressed as mutual fund ranking s prepared by Lipper Analytical Services, Inc. (Lipper), an independent service located in Summit, New Jersey that monitors the performance of mutual funds. Lipper generally ranks funds on the basis of total return, assuming reinvestment of distributions, but does not take sales charges or redemption fees into consideration, and is prepared without regard to tax consequences. Lipper may also rank funds based on yield. In addition to the mutual fund rankings, the fund's performance may be compared to mutual fund performance indices prepared by Lipper.

From time to time, the fund's performance may also be compared to other mutual funds tracked by financial or business publications and periodicals. For example, the fund may quote Morningstar, Inc. in its advertising materials. Morningstar, Inc. is a mutual fund rating service that rates mutual funds on the basis of risk-adjusted performance. Rankings that compare the performance of Fidelity funds to one another in appropriate categories over specific period of time may also be quoted in advertising.

Fidelity may provide information designed to help individual understand their investment goals and explore various financial strategies. For example, Fidelity's FundMatch Program includes a workbook describing general principles of investing, such as assets allocation, diversification, risk tolerance, and goal setting; a questionnaire designed to help create a personal financial profile; and an action plan offering investment alternatives. Materials may also include discussions of Fidelity's three asset allocation funds and Portfolio Advisory Services.

Ibbotson Associates of Chicago, Illinois (Ibbotson) provides historical returns of the capital markets in the United States, including common stocks, small capitalization stocks, long-term corporate bonds, intermediate-term government bonds, long-term government bonds, Treasury bills, the U.S. rate of inflation (based on the CPI) , and combination s of various capital markets. The performance of these capital markets is based on the returns of different indices.

Fidelity funds may use the performance of these capital markets in order to demonstrate general risk-versus-reward investment scenarios. Performance comparisons may also include the value of a hypothetical investment in any of these capital markets. The risks associated with the security types in any capital market may or may not correspond directly to those of the funds. Ibbotson calculates total returns in the same method as the funds. The funds may also compare performance to that of other compilations or indices that may be developed and made available in the future.

The funds may compare their performance or the performance of securities in which they may invest to averages published by IBC USA (Publications), Inc. of Ashland, Massachusetts. These averages assume reinvestment of distributions. The IBC/Donoghue's MONEY FUND AVERAGES (registered trademark) /All Tax-Free, which is reported in the MONEY FUND REPORT, covers over 300 tax-free money market funds. The BOND FUND REPORT AVERAGES (registered tramark) , Municipal which is reported in the BOND FUND REPORT (Registered trademark) , covers over 350 municipal bond funds. When evaluating comparisons to money market funds, investors should consider the relevant differences in investment objectives and policies. Specifically, money markets funds invest in short-term, high-quality instruments and seek to maintain a stable $1.00 share price. The income fund, however, invests in longer-term instruments and its share price changes daily in response to a variety of factors.

A fund may compare and contrast in advertising the relative advantages of investing in a mutual fund versus an individual municipal bond. Unlike tax-free mutual funds, individual municipal bonds offer a stated rate of interest and, if held to maturity, repayment of principal. Although some individual municipal bonds might offer a higher return, they do not offer the reduced risk of a mutual fund that invest s in many different securities. The initial investment requirements and sales charges of many tax-free mutual funds are lower than the purchase cost of individual municipal bonds, which are generally issued in $5,000 denominations and are subject to direct brokerage costs.

In advertising materials, Fidelity may reference or discuss its products and services, which may include: other Fidelity funds; retirement investing; brokerage products and services; the effects of periodic investment plans and dollar cost averaging; saving for college; charitable giving; and the Fidelity credit card. In addition, Fidelity may quote financial or business publications and periodicals, including model portfolios or allocations, as they relate to fund management, investment philosophy, and investment techniques. Fidelity may also reprint, and use as advertising and sales literature, articles from Fidelity Focus, a quarterly magazine provided free of charge to Fidelity fund shareholders. The fund may present its fund number, Quotron number, and CUSIP number, and discuss or quote its current portfolio manager.

The income fund may advertise examples of the effects of periodic investment plans, including the principle of dollar cost averaging. In such a program, an investor invests a fixed dollar amount in a fund at periodic intervals, thereby purchasing fewer shares when prices are high and more shares when prices are low. While such a strategy does not assure a profit or guard against loss in a declining market, the investor's average cost per share can be lower than if fixed numbers of shares are purchased at the same intervals. In evaluating such a plan, investors should consider their ability to continue purchasing shares during periods of low price levels.

As of November 30, 1993, FMR advised 40 tax-free funds with a total value of over $ 26 billion. As of November 30, 1993, FMR managed 30 Spartan funds with approximately $ 20 billion in assets.

According to the Investment Company Institute, over the past ten years, assets in tax-exempt funds increased from $7.3 billion in 1981 to approximately $ 353 billion as of October 30, 1993 . The funds may reference the growth and variety of money market mutual funds and the adviser's innovation and participation in the industry.

ADDITIONAL PURCHASE AND REDEMPTION INFORMATION

Each fund is open for business and its NAV is calculated each day the New York Stock Exchange (NYSE) is open for trading. The NYSE has designated the following holiday closings for the remainder of 1994: Washington's Birthday (observed), Good Friday, Memorial Day (observed), Independence Day (observed), Labor Day, Thanksgiving Day , Christmas Day (observed). Although FMR expects the same holiday schedule, with the addition of New Year's Day, to be observed in the future, the NYSE may modify its holiday schedule at any time.

FSC normally determines each fund's NAV as of the close of the NYSE (normally 4:00pm Eastern Time). However, NAV may be calculated earlier if trading on the NYSE is restricted or as permitted by the SEC. To the extent that portfolio securities are traded in other markets on days when the NYSE is closed, a fund's NAV may be affected on days when investors do not have access to the funds to purchase or redeem shares.

If the Trustees determine that existing conditions make cash payment undesirable, redemption payments may be made in whole or in part in securities or other property, valued for this purpose as they are valued in computing a fund's NAV. Shareholders receiving securities or other property on redemption may realize either a gain or loss for tax purposes and will incur any costs of sale as well as the associated inconveniences.

Pursuant to Rule 11a-3 under the 1940 Act, each fund is required to give shareholders at least 60 days' notice prior to terminating or modifying its exchange privilege. Under the Rule, the 60-day notification requirement may be waived if (i) the only effect of a modification would be to reduce or eliminate an administrative fee, redemption fee, or deferred sales charge ordinarily payable at the time of exchange, or (ii) a fund suspends the redemption of shares to be exchanged as permitted under the 1940 Act or the rules and regulations thereunder, or the fund to be acquired suspends the sale of its shares or because it is unable to invest amounts effectively in accordance with its investment objective and policies.

In the Prospectus, each fund has notified shareholders that it reserves the right at any time, without prior notice, to refuse exchange purchases by any person or group if, in FMR's judgment, the fund would be unable to invest effectively in accordance with its investment objective and policies, or would otherwise potentially be adversely affected.

DISTRIBUTIONS AND TAXES

DISTRIBUTIONS. If you request to have distributions mailed to you and the U.S. Postal Service cannot deliver your checks, or if your checks remain uncashed for six months, Fidelity may reinvest your distributions at the then-current NAV. All subsequent distributions will then be reinvested until you provide Fidelity with alternate instructions.

DIVIDENDS. To the extent that each fund's income is derived from federally tax-exempt interest, the daily dividends declared by the fund are also federally tax-exempt. The funds will send each shareholder a notice in January describing the tax status of dividends and capital gain distributions (if any) for the prior year.

Shareholders are required to report tax-exempt income on their federal tax returns. Shareholders who earn other income, such as social security benefits, may be subject to federal income tax on up to one half of such benefits to the extent that their income, including tax-exempt income, exceeds certain base amounts.

The funds purchase municipal obligations based on opinions of bond counsel regarding the federal income tax status of the obligations. These opinions generally will be based upon covenants by the issuers regarding continuing compliance with federal tax requirements. If the issuer of an obligation fails to comply with its covenants at any time, interest on the obligation could become federally taxable retroactive to the date the obligation was issued.

As a result of the Tax Reform Act of 1986, interest on certain " private activity" securities (referred to in the Internal Revenue Code as " qualified bonds") is subject to the federal alternative minimum tax (AMT), although the interest continues to be excludable from gross income for other purposes. Interest from private activity securities will be considered tax-exempt for purposes of the funds' policies of investing so that at least 80% of their income is free from federal income tax. Interest from private activity securities is a tax preference item for the purpose of determining whether a taxpayer is subject to the AMT and the amount of AMT to be paid, if any. Private activity securities issued after August 7, 1986 to benefit a private or industrial user or to finance a private facility are affected by this rule.

Corporate investors should note that a tax preference item for purposes of the corporate AMT is 75% of the amount by which adjusted current earnings (which includes tax-exempt interest) exceeds alternative minimum taxable income of the corporation.

If a shareholder receives an exempt-interest dividend and sells shares at a loss after holding them for a period of six months or less, the loss will be disallowed to the extent of the amount of the exempt-interest dividend.

CAPITAL GAIN DISTRIBUTIONS. Long-term capital gains earned by the income fund on the sale of securities and distributed to shareholders are federally taxable as long-term capital gains, regardless of the length of time that the shareholders have held their shares. If a shareholder receives a long-term capital gain distribution on shares of the fund and such shares are held for six months or less and are sold at a loss, the portion of the loss equal to the amount of the long-term capital gain distribution will be considered a long-term loss for tax purposes.

A portion of the gain on bonds purchased at a discount after April 30, 1993 and short-term capital gains distributed by the funds are federally taxable to shareholders as dividends, not as capital gains. Distributions from short-term capital gains do not qualify for the dividends-received deduction. Dividend distributions resulting from a recharacterization of gain from the sale of bonds purchased at a discount after April 30, 1993 are not considered income for purposes of the funds' policy of investing so that at least 80% of their income is free from federal income tax. The money market fund may distribute any net realized short-term capital gains once a year or more often as necessary to maintain its net asset value at $1.00 a share.

As of November 30, 199 3 , the money market fund had a capital loss carry forward aggregating $ 1240 available to offset future capital gains, to the extent provided by regulations, of which $114 will expire on November 30, 2000 , and $1,126 will expire on November 30, 2001. To the extent that capital loss carryovers are used to offset any future capital gains, it is unlikely that the gains so offset will be distributed to shareholders since any such distributions may be taxable to shareholders as ordinary income.

TAX STATUS OF THE FUNDS. Each fund intends to qualify each year as a " regulated investment company" for tax purposes, so that it will not be liable for federal tax on income and capital gains distributed to shareholders. In order to qualify as a regulated investment company and avoid being subject to federal income or excise taxes at the fund level, each fund intends to distribute substantially all of its net investment income and net realized capital gains (if any) within each calendar year as well as on a fiscal year basis. Each fund also intends to comply with other tax rules applicable to regulated investment companies, including a requirement that capital gains from the sale of securities held less than three months constitute less than 30% of each fund's gross income for each fiscal year. Gains from some futures contracts and options are included in this 30% calculation, which may limit the income fund's investments in such instruments. The money market fund is treated as a separate entity from the other funds of Fidelity Court Street Trust II for tax purposes. The income fund is treated as a separate entity from the other funds of Fidelity Court Street Trust for tax purposes.

FLORIDA TAX MATTERS. The State of Florida does not currently impose an income tax on individuals. Thus, individual shareholders of the funds will not be subject to any Florida income tax on distributions received from the fund. However, Florida does currently impose an income tax on limited liability companies and certain corporations. Consequently, distributions may be taxable to corporate and limited liability companies and shareholders.

The State of Florida currently imposes an " intangible tax" at the annual rate of two mills, or .20% on certain securities and other intangible personal property owned by Florida residents. With respect to the first mill, or first .10%, of the intangible tax, every natural person is entitled each year to an exemption of the first $20,000 of the value of the property subject to the tax. A husband and wife filing jointly will have an exemption of $40,000. With respect to the last mill, or last .10%, of the intangible tax, every natural person is entitled each year to an exemption of the first $100,000 of the value of the property subject to the tax. A husband and wife filing jointly will have an exemption of $200,000. Notes, bonds, and other obligations issued by the State of Florida or its municipalities, counties, and other taxing districts, or by the U.S. government, its agencies and certain U.S. territories and possessions (such as Guam, Puerto Rico and the Virgin Islands) are exempt from this intangible tax. If on the last business day of any year, the fund consists solely of such exempt assets, then the fund's shares will be exempt from the Florida intangible tax payable in the following year.

In order to take advantage of the exemption from the intangible tax in any year, a fund must sell any non-exempt assets held in its portfolio during the year and reinvest the proceeds in exempt assets on or before the last business day of the calendar year. Transaction costs involved in restructuring a fund in this fashion would likely reduce investment return and might exceed any increased investment return the fund achieved by investing in non-exempt assets during the year.

The foregoing is a general and abbreviated summary of certain provisions of Florida law. You should consult your tax adviser to determine the precise application of Florida or other state law to your particular situation.

OTHER TAX INFORMATION. The information above is only a summary of some of the tax considerations generally affecting the funds and its shareholders, and no attempt has been made to discuss individual tax consequences. Investors should consult their tax advisers to determine whether the funds are suitable to their particular tax situations.

FMR

FMR is a wholly owned subsidiary of FMR Corp., a parent company organized in 1972. At present, the principal operating activities of FMR Corp. are those conducted by three of its divisions as follows: FSC, which is the transfer and shareholder servicing agent for certain of the funds advised by FMR; Fidelity Investments Institutional Operations Company, which performs shareholder servicing functions for certain institutional customers; and Fidelity Investments Retail Marketing Company, which provides marketing services to various companies within the Fidelity organization.

Several affiliates of FMR are also engaged in the investment advisory business. Fidelity Management Trust Company provides trustee, investment advisory, and administrative services to retirement plans and corporate employee benefit accounts. Fidelity Management & Research (U.K.) Inc. (FMR U.K.) and Fidelity Management & Research (Far East) Inc. (FMR Far East), both wholly owned subsidiaries of FMR formed in 1986, supply investment research, and may supply portfolio management services, to FMR in connection with certain funds advised by FMR. Analysts employed by FMR, FMR U.K., and FMR Far East research and visit thousands of domestic and foreign companies each year. FMR Texas, a wholly owned subsidiary of FMR formed in 1989, supplies portfolio management and research services in connection with certain money market funds advised by FMR.

TRUSTEES AND OFFICERS

The Trustees and executive officers of the trusts are listed below. Except as indicated, each individual has held the office shown or other offices in the same company for the last five years. All persons named as Trustees and officers also serve in similar capacities for other funds advised by FMR. Unless otherwise noted, the business address of each Trustee and officer is 82 Devonshire Street, Boston, Massachusetts 02109, which is also the address of FMR. Those Trustees who are " interested persons" (as defined in the 1940 Act) by virtue of their affiliation with either trust or FMR, are indicated by an asterisk (*).

*EDWARD C. JOHNSON 3d, Trustee and President, is Chairman, Chief Executive Officer and a Director of FMR Corp.; a Director and Chairman of the Board and of the Executive Committee of FMR; Chairman and a Director of FMR Texas Inc. (1989), Fidelity Management & Research (U.K.) Inc., and Fidelity Management & Research (Far East) Inc.

*J. GARY BURKHEAD, Trustee and Senior Vice President, is President of FMR; and President and a Director of FMR Texas Inc. (1989), Fidelity Management & Research (U.K.) Inc. and Fidelity Management & Research (Far East) Inc.

RALPH F. COX, 200 Rivercrest Drive, Fort Worth, TX, Trustee (1991 - money market fund only), is President of Greenhill Petroleum Corporation (petroleum exploration and production, 1990). Prior to his retirement in March 1990, Mr. Cox was President and Chief Operating Officer of Union Pacific Resources Company (exploration and production). He is a Director of Bonneville Pacific Corporation (independent power, 1989) and CH2M Hill Companies (engineering). In addition, he served on the Board of Directors of the Norton Company (manufacturer of industrial devices, 1983 - 1990) and continues to serve on the Board of Directors of the Texas State Chamber of Commerce, and is a member of advisory boards of Texas A&M University and the University of Texas at Austin.

PHYLLIS BURKE DAVIS (money market fund only - 1993) 340 E. 64th Street #22C, New York, NY, Trustee (1992). Prior to her retirement in September 1991, Mrs. Davis was the Senior Vice President of Corporate Affairs of Avon Products, Inc. She is currently a Director of BellSouth Corporation (telecommunications), Eaton Corporation (manufacturing, 1991), and the TJX Companies, Inc. (retail stores, 1990), and previously served as a Director of Hallmark Cards, Inc. (1985-1991) and Nabisco Brands, Inc. In addition, she serves as a Director of the New York City Chapter of the National Multiple Sclerosis Society, and is a member of the Advisory Council of the International Executive Service Corps. and the President's Advisory Council of The University of Vermont School of Business Administration (1988).

RICHARD J. FLYNN, 77 Fiske Hill, Sturbridge, MA, Trustee, is a financial consultant. Prior to September 1986, Mr. Flynn was Vice Chairman and a Director of the Norton Company (manufacturer of industrial devices). He is currently a Director of Mechanics Bank and a Trustee of College of the Holy Cross and Old Sturbridge Village, Inc.

E. BRADLEY JONES, 30195 Chagrin Blvd., Suite 104W, Pepper Pike, OH, Trustee (1990). Prior to his retirement in 1984, Mr. Jones was Chairman and Chief Executive Officer of LTV Steel Company. Prior to May 1990, he was Director of National City Corporation (a bank holding company) and National City Bank of Cleveland. He is a Director of TRW Inc. (original equipment and replacement products), Cleveland - Cliffs Inc. (mining), NACCO Industries, Inc. (mining and marketing), Consolidated Rail Corporation, Birmingham Steel Corporation (1988), Hyster - Yale Materials Handling, Inc. (1989), and RPM, Inc. (manufacturer of chemical products, 1990). In addition, he serves as a Trustee of First Union Real Estate Investments; Chairman of the Board of Trustees and a member of the Executive Committee of the Cleveland Clinic Foundation, a Trustee and a member of the Executive Committee of University School (Cleveland), and a Trustee of Cleveland Clinic , Florida.

DONALD J. KIRK, 680 Steamboat Road, Apartment #1 - North, Greenwich, CT, Trustee, is a Professor at Columbia University Graduate School of Business and a financial consultant. Prior to 1987, he was Chairman of the Financial Accounting Standards Board. Mr. Kirk is a Director of General Re Corporation (reinsurance), the National Arts Stabilization Fund, Greenwich Hospital Association (1989), and Valuation Research Corp. (appraisals and valuations, 1993).

*PETER S. LYNCH, Trustee (1990) is Vice Chairman of FMR (1992). Prior to his retirement on May 31, 1990, he was a Director of FMR (1989) and Executive Vice President of FMR (a position he held until March 31, 1991); Vice President of Fidelity Magellan Fund and FMR Growth Group Leader; and Managing Director of FMR Corp. Mr. Lynch was also Vice President of Fidelity Investments Corporate Services (1991-1992). He is a Director of W.R. Grace & Co. (chemicals, 1989) and Morrison Knudsen Corporation (engineering and construction, 1988). In addition, he serves as a Trustee of Boston College, Massachusetts Eye & Ear Infirmary, Historic Deerfield (1989) and Society for the Preservation of New England Antiquities, and as an Overseer of the Museum of Fine Arts of Boston (1990).

GERALD C. McDONOUGH, 135 Aspenwood Drive, Cleveland, OH, Trustee (1989), is Chairman of G.M. Management Group (strategic advisory services). Prior to his retirement in July 1988, he was Chairman and Chief Executive Officer of Leaseway Transportation Corp. (physical distribution services). Mr. McDonough is a Director of ACME - Cleveland Corp. (metal working, telecommunications and electronic products), Brush - Wellman Inc. (metal refining), York International Corp. (air conditioning and refrigeration, 1989), and Commercial Intertech Corp. (water treatment equipment, 1992), and Associated Estates Realty Corporation (a real estate investment trust, 1993).

EDWARD H. MALONE, 5601 Turtle Bay Drive #2104, Naples, FL, Trustee (1988). Prior to his retirement in 1985, Mr. Malone was Chairman, General Electric Investment Corporation and a Vice President of General Electric Company. He is a Director of Allegheny Power Systems, Inc. (electric utility), General Re Corporation (reinsurance) and Mattel Inc. (toy manufacturer). He is also a Trustee of Rensselaer Polytechnic Institute and of Corporate Property Investors and a member of the Advisory Boards of Butler Capital Corporation Funds and Warburg, Pincus Partnership Funds.

MARVIN L. MANN, 55 Railroad Avenue, Greenwich, CT, Trustee (money market fund only - 1993) is Chairman of the Board, President, and Chief Executive Officer of Lexmark International, Inc. (office machines, 1991). Prior to 1991, he held the positions of Vice President of International Business Machines Corporation ("IBM") and President and General Manager of various IBM divisions and subsidiaries. Mr. Mann is a Director of M.A. Hanna Company (chemicals, 1993) and Infomart (marketing services, 1991), a Trammell Crow Co. In addition, he serves as the Campaign Vice Chairman of the Tri-State United Way (1993) and is a member of the University of Alabama President's Cabinet (1990).

THOMAS R. WILLIAMS, 21st Floor, 191 Peachtree Street, N.E., Atlanta, GA, Trustee (1988), is President of The Wales Group, Inc. (management and financial advisory services). Prior to retiring in 1987, Mr. Williams served as Chairman of the Board of First Wachovia Corporation (bank holding company), and Chairman and Chief Executive Officer of The First National Bank of Atlanta and First Atlanta Corporation (bank holding company). He is currently a Director of BellSouth Corporation (telecommunications), ConAgra, Inc. (agricultural products), Fisher Business Systems, Inc. (computer software, 1988), Georgia Power Company (electric utility), Gerber Alley & Associates, Inc. (computer software), National Life Insurance Company of Vermont, American Software, Inc. (1989), and AppleSouth, Inc. (restaurants, 1992).

GARY L. FRENCH, Treasurer (1991). Prior to becoming Treasurer of the Fidelity funds, Mr. French was Senior Vice President, Fund Accounting - Fidelity Accounting & Custody Services Co. (1991); Vice President, Fund Accounting - Fidelity Accounting & Custody Services Co. (1990); and Senior Vice President, Chief Financial and Operations Officer - Huntington Advisers, Inc. (1985 - 1990).

ANNE PUNZAK, is Vice President of the Income Fund and a Vice President of other funds advised by FMR, and a Vice President of FMR.

ARTHUR S. LORING, Secretary, is Senior Vice President and General Counsel of FMR, Vice President - Legal of FMR Corp., and Clerk of FDC.

Under a retirement program that became effective on November 1, 1989, Trustees, upon reaching age 72, become eligible to participate in a defined benefit retirement program under which they receive payments during their lifetime from the fund based on their basic trustee fees and length of service. Currently, Messrs. Robert L. Johnson, William R. Spaulding, Bertram H. Witham, and David L. Yunich participate in the program.

As of November 30, 1993, the Trustees and officers of each fund owned in the aggregate less than 1% of the outstanding shares of each fund.

MANAGEMENT CONTRACTS

Each fund employs FMR to furnish investment advisory and other services. Under FMR's management contract with each fund, FMR acts as investment adviser and, subject to the supervision of the Board of Trustees, directs the investments of the fund in accordance with its investment objective, policies, and limitations. FMR also provides the funds with all necessary office facilities and personnel for servicing the funds' investments, and compensates all officers of the trust, all Trustees who are " interested persons" of the trust or of FMR, and all personnel of the trust or FMR performing services relating to research, statistical, and investment activities.

In addition, FMR or its affiliates, subject to the supervision of the Board of Trustees, provide the management and administrative services necessary for the operation of the funds. These services include providing facilities for maintaining the fund's organization; supervising relations with custodians, transfer and pricing agents, accountants, underwriters, and other persons dealing with the funds; preparing all general shareholder communications and conducting shareholder relations; maintaining the funds' records and the registration of the funds' shares under federal and state law; developing management and shareholder services for the funds; and furnishing reports, evaluations, and analyses on a variety of subjects to the Board of Trustees.

FMR is responsible for the payment of all expenses of the funds with certain exceptions. Specific expenses payable by FMR include, without limitation, the fees and expenses of registering and qualifying the funds and their shares for distribution under federal and state securities laws; expenses of typesetting for printing Prospectuses and Statements of Additional Information; custodian charges; audit and legal expenses; insurance expense; association membership dues; and the expenses of mailing reports to shareholders, shareholder meetings, and proxy solicitations. FMR also provides for transfer agent and dividend disbursing services and

portfolio and general accounting record maintenance through FSC.
FMR pays all other expenses of the funds with the following exceptions: fees and expenses of the Trustees who are not " interested persons" of the trust or of FMR (the non-interested Trustees); interest on borrowings; taxes; brokerage commissions (if any); and such nonrecurring expenses as may arise, including costs of any litigation to which the funds may be a party, and any obligation it may have to indemnify the officers and Trustees with respect to litigation.
FMR is the money market fund's manager pursuant to a management contract dated July 16, 1992 which was approved by FMR, then sole shareholder of the fund, on August 22, 1992. FMR is the income fund's manager pursuant to a contract dated February 20, 1992 which was approved by FMR, then sole shareholder of the fund on March 13, 1992.
For the services of FMR under the management contracts, each fund pays FMR a monthly management fee at the annual rate of .50% (money market fund) and .55% (income fund), respectively, of average net assets throughout the month. FMR reduces its fee by an amount equal to the fees and expenses of the non-interested Trustees.
FMR may, from time to time, voluntarily reimburse all or a portion of each fund's operating expenses (exclusive of interest, taxes, brokerage commissions, and extraordinary expenses).
The tables below outline expense limitations (as a percentage of each fund's average net assets) in effect from each fund's commencement of operations (August 24, 1992 - money market fund; March 16, 1992 - income fund) through the date of this Statement of Additional Information. The tables also show the amount of management fees incurred under each contract and the amounts reimbursed by FMR for each fiscal period from commencement of operations through the date of this Statement of Additional Information.

MONEY MARKET FUND:

From	To	Expense Limitation
August 24, 1992	February 28, 1993	.00%
March 1, 1993	April 30, 1993	.05%
May 1, 1993	May 31, 1993	.10%
June 1, 1993	June 30, 1993	.15%
July 1, 1993	July 31, 1993	.20%
August 1, 1993	August 31, 1993	.25%
September 1, 1993	September 30, 1993	.30%
October 1, 1993	October 31, 1993	.35%
November 1, 1993	--	.40%

Fiscal Period	Management Fees Before Reimbursement	Amount of Reimbursements
1992*	$21,467	$21,474
1993	$1,021,002	$655,781

INCOME FUND:

From	To	Expense Limitation
March 16, 1992	August 31, 1992	.00%
September 1, 1992	January 31, 1993	.05%
February 1, 993	February 28, 1993	.10%
April 1, 1993	May 31, 1993	.15%
June 1, 1993	July 31, 1993	.25%
August 1, 1993	August 3 1 , 1993	.30%
September 1, 1993	September 30, 1993	.35%
October 1, 1993	October 31, 1993	. 4 5%
November 1, 1993	--	.50%

Fiscal Period	Management Fees Before Reimbursement	Amount of Reimbursements
1992**	$463,640	$438,561
1993	$2,073,795	$ 1,147,661

* From August 24,1992 (commencement of operations) through November 30, 1992.
** From March 16, 1992 (commencement of operations) through November 30, 1992.
If FMR were not temporarily reimbursing these expenses, the money market and income funds' yields would be lower and their total operating expenses would be .50% and .55%, respectively, of each fund's net assets.
To defray shareholder service costs, FMR or its affiliates also collect the funds' $5.00 exchange fees, $5.00 account closeout fees, $5.00 fees for wire purchases and redemptions, and the money market fund's $2.00 checkwriting charge. Shareholder transaction fees and charges collected for the fiscal periods ended November 30, 1993 and 1992 are indicated in the tables below.

MONEY MARKET FUND:

	Exchange Fees	Account Closeout Fees	Wire Fees	Checkwriting Charge
1992	$275	$0	$30	$50
1993	$2,625	$327	$305	$1,144

INCOME FUND:

	Exchange Fees	Account Closeout Fees	Wire Fees
1992	$1,030	$185	$50
1993	$3,140	$845	$185

SUB-ADVISER . With respect to the money market fund, FMR has entered into a sub-advisory agreement with FMR Texas Inc. (FTX) pursuant to which FTX has primary responsibility for providing portfolio investment management services to the fund. Under the sub-advisory agreement, FMR pays FTX a fee equal to 50% of the management fee payable to FMR under its current management contract with the fund. The fees paid to FTX are not reduced by any voluntary or mandatory expense reimbursements that may be in effect from time to time. During the fiscal period August 24, 1992 (commencement of operations) to November 30, 199 2 and fiscal 199 3 FMR paid FTX $510,511 and $10,734, respectively under the sub-advisory agreement.

DISTRIBUTION AND SERVICE PLANS

Each fund has adopted a Distribution and Service Plan (the Plans) under Rule 12b-1 of the 1940 Act (the Rule). The Rule provides in substance that a mutual fund may not engage directly or indirectly in financing any activity that is primarily intended to result in the sale of shares of the fund except pursuant to a plan adopted by the fund under the Rule. The Board of Trustees has adopted the Plans to allow the funds and FMR to incur certain expenses that might be considered to constitute indirect payment by the funds of distribution expenses. Under the Plans, if payment by a fund to FMR of management fees should be deemed to be indirect financing by the fund of the distribution of its shares, such payment is authorized by the fund's Plan.

The Plans specifically recognize that FMR, either directly or through FDC, may use its management fee revenue, past profits, or other resources, without limitation, to pay promotional and administrative expenses in connection with the offer and sale of the funds' shares. In addition, the Plans provide that FMR may use its resources, including management fee revenues, to make payments to third parties that provide assistance in selling the funds' shares, or to third parties, including banks, that render shareholder support services. The Trustees have not authorized such payments to date.

Each fund's Plan has been approved by the Trustees. As required by the Rule, the Trustees carefully considered all pertinent factors relating to implementation of the Plan prior to its approval, and have determined that there is a reasonable likelihood that the Plan will benefit the funds and their shareholders. In particular, the Trustees noted that the Plans do not authorize payments by each fund other than those made to FMR under its management contract with the fund. To the extent that the Plans give FMR and FDC greater flexibility in connection with the distribution of shares of the funds, additional sales of each fund's shares may result. Additionally, certain shareholder support services may be provided more effectively under the Plans by local entities with whom shareholders have other relationships. The Plans were approved by FMR, then sole shareholder of the funds, on August 22, 1992 (money market fund) and March 13, 1992 (income fund).

The Glass-Steagall Act generally prohibits federally and state chartered or supervised banks from engaging in the business of underwriting, selling, or distributing securities. Although the scope of this prohibition under the Glass-Steagall Act has not been clearly defined by the courts or appropriate regulatory agencies, FDC believes that the Glass-Steagall Act should not preclude a bank from performing shareholder support services, or servicing and recordkeeping functions. FDC intends to engage banks only to perform such functions. However, changes in federal or state statutes and regulations pertaining to the permissible activities of banks and their affiliates or subsidiaries, as well as further judicial or administrative decisions or interpretations, could prevent a bank from continuing to perform all or a part of the contemplated services. If a bank were prohibited from so acting, the Trustees would consider what actions, if any, would be necessary to continue to provide efficient and effective shareholder services. In such event, changes in the operation of the funds might occur, including possible termination of any automatic investment or redemption or other services then provided by the bank. It is not expected that shareholders would suffer any adverse financial consequences as a result of any of these occurrences. The funds may execute portfolio transactions with and purchase securities issued by depository institutions that receive payments under the Plans. No preference will be shown in the selection of investments for the instruments of such depository institutions. In addition, state securities laws on this issue may differ from the interpretations of federal law expressed herein, and banks and other financial institutions may be required to register as dealers pursuant to state law.

INTEREST OF FMR AFFILIATES

United Missouri is each fund's custodian and transfer agent. United Missouri has entered into sub-contracts with FSC, an affiliate of FMR, under the terms of which FSC performs the processing activities associated with providing transfer agent and shareholder servicing functions for each fund. United Missouri has additional sub-contracts with FSC, pursuant to which FSC performs the calculations necessary to determine each fund's NAV and dividends and maintains the funds' accounting records. United Missouri is entitled to reimbursement for fees paid to FSC from FMR, which must bear these costs pursuant to its management contract with each fund.

Each fund has a distribution agreement with FDC, a Massachusetts corporation organized on July 18, 1960. FDC is a broker-dealer registered under the Securities Exchange Act of 1934 and is a member of the National Association of Securities Dealers, Inc. The distribution agreement calls for FDC to use all reasonable efforts, consistent with its other business, to secure purchasers for shares of the funds, which are continuously offered at NAV. Promotional and administrative expenses in connection with the offer and sale of shares of the funds are paid by FMR.

DESCRIPTION OF THE TRUSTS

TRUST ORGANIZATION. Fidelity Court Street Trust (the Massachusetts trust) is an open-end management investment company organized as a Massachusetts business trust on April 21, 1977. On August 1, 1987, the Massachusetts trust's name was changed from Fidelity High Yield Municipals to Fidelity Court Street Trust. Currently, there are four funds of the Massachusetts trust: Spartan Connecticut Municipal High Yield Portfolio, Fidelity High Yield Tax-Free Portfolio, Spartan New Jersey Municipal High Yield Portfolio, and Spartan Florida Municipal Income Portfolio. The Massachusetts trust's Declaration of Trust permits the Trustees to create additional funds.

Fidelity Court Street Trust II (the Delaware trust) is an open-end management investment company organized as a Delaware business trust on June 20, 1991. Currently, there are four funds of the Delaware trust: Fidelity Connecticut Municipal Money Market Portfolio, Fidelity New Jersey Tax-Free Money Market Portfolio, Spartan Florida Municipal Money Market Portfolio, and Spartan Connecticut Municipal Money Market Portfolio. The Delaware trust's Trust Instrument permits the Trustees to create additional funds.

In the event that FMR ceases to be the investment adviser to the trust or a fund, the right of the trust or fund to use the identifying names "Fidelity" or "Spartan" may be withdrawn. There is a remote possibility that one fund might become liable for any misstatement in its prospectus or statement of additional information about another fund.

The assets of each trust received for the issue or sale of shares of each of its funds and all income, earnings, profits, and proceeds thereof, subject only to the rights of creditors, are especially allocated to such fund, and constitute the underlying assets of such fund. The underlying assets of each fund are segregated on the books of account, and are to be charged with the liabilities with respect to such fund and with a share of the general expenses of their respective trusts. Expenses with respect to the trusts are to be allocated in proportion to the asset value of their respective funds, except where allocations of direct expense can otherwise be fairly made. The officers of the trusts, subject to the general supervision of the Boards of Trustees, have the power to determine which expenses are allocable to a given fund, or which are general or allocable to all of the funds of a certain trust. In the event of the dissolution or liquidation of a trust, shareholders of each fund of that trust are entitled to receive as a class the underlying assets of such fund available for distribution.

SHAREHOLDER AND TRUSTEE LIABILITY - MASSACHUSETTS TRUST. The Massachusetts trust is an entity of the type commonly known as "Massachusetts business trust." Under Massachusetts law, shareholders of such a trust may, under certain circumstances, be held personally liable for the obligations of the trust. The Declaration of Trust provides that the Massachusetts trust shall not have any claim against shareholders except for the payment of the purchase price of shares and requires that each agreement, obligation, or instrument entered into or executed by the Massachusetts trust or its Trustees shall include a provision limiting the obligations created thereby to the Massachusetts trust and its assets. The Declaration of Trust provides for indemnification out of each fund's property of any shareholders held personally liable for the obligations of the fund. The Declaration of Trust also provides that each fund shall, upon request, assume the defense of any claim made against any shareholder for any act or obligation of the fund and satisfy any judgment thereon. Thus, the risk of a shareholder incurring financial loss on account of shareholder liability is limited to circumstances in which the fund itself would be unable to meet its obligations. FMR believes that, in view of the above, the risk of personal liability to shareholders is remote.

The Declaration of Trust further provides that the Trustees, if they have exercised reasonable care, will not be liable for any neglect or wrongdoing, but nothing in the Declaration of Trust protects a Trustee against any liability to which he would otherwise be subject by reason of willful misfeasance, bad faith, gross negligence, or reckless disregard of the duties involved in the conduct of his office.

SHAREHOLDER AND TRUSTEE LIABILITY - DELAWARE TRUST. The Delaware trust is a business trust organized under Delaware law. Delaware law provides that shareholders shall be entitled to the same limitations of personal liability extended to stockholders of private corporations for profit. The courts of some states, however, may decline to apply Delaware law on this point. The Trust Instrument contains an express disclaimer of shareholder liability for the debts, liabilities, obligations, and expenses of the Delaware Trust and requires that a disclaimer be given in each contract entered into or executed by the Delaware Trust or its Trustees. The Trust Instrument provides for indemnification out of each fund's property of any shareholder or former shareholder held personally liable for the obligations of the fund. The Trust Instrument also provides that each fund shall, upon request, assume the defense of any claim made against any shareholder for any act or obligation of the fund and satisfy any judgment thereon. Thus, the risk of a shareholder incurring financial loss on account of shareholder liability is limited to circumstances in which Delaware law does not apply, no contractual limitation of liability was in effect, and the fund is unable to meet its obligations. FMR believes that, in view of the above, the risk of personal liability to shareholders is extremely remote.

The Trust Instrument further provides that the Trustees shall not be personally liable to any person other than the Delaware trust or its shareholders; moreover, the Trustees shall not be liable for any conduct whatsoever, provided that a Trustee is not protected against any liability to which they would otherwise be subject by reason of willful misfeasance, bad faith, gross negligence, or reckless disregard of the duties involved in the conduct of their office.

VOTING RIGHTS - BOTH TRUSTS. Each fund's capital consists of shares of beneficial interest. The shares have no preemptive or conversion rights; voting and dividend rights, the right of redemption, and the privilege of exchange are described in the Prospectus. Shares are fully paid and nonassessable, except as set forth under the respective " Shareholder and Trustee Liability" headings above. Shareholders representing 10% or more of a trust or one of its funds may, as set forth in the Declaration of Trust or Trust Instrument, call meetings of the trust or fund for any purpose related to the trust or fund, as the case may be, including, in the case of a meeting of an entire trust, the purpose on voting on removal of one or more Trustees.

A trust or any fund may be terminated upon the sale of its assets to (or, in the case of the Delaware trust and its funds, merger with) another open-end management investment company or series thereof, or upon liquidation and distribution of its assets. Generally such terminations must be approved by vote of the holders of a majority of the outstanding shares of the trust or the fund, however, the Trustees of the Delaware trust may, without prior shareholder approval, change the form of the organization of the Delaware trust by merger, consolidation, or incorporation. If not so terminated or reorganized, the trusts and their funds will continue indefinitely.

Under the Trust Instrument, the Trustees may, without shareholder vote, cause the Delaware trust to merge or consolidate into one or more trusts, partnerships, or corporations, so long as the surviving entity is an open-end management investment company that will succeed to or assume the Delaware trust registration statement, or cause the Delaware trust to be incorporated under Delaware law. The Delaware trust may also invest all of its assets in another investment company.

CUSTODIAN. United Missouri Bank, N.A., 1010 Grand Avenue, Kansas City, Missouri, 64106, is custodian of the assets of the funds. The custodian is responsible for the safekeeping of the funds' assets and the appointment of subcustodian banks and clearing agencies. The custodian takes no part in determining the investment policies of the funds or in deciding which securities are purchased or sold by the funds. The funds may, however, invest in obligations of the custodian and may purchase securities from or sell securities to the custodian.

FMR, its officers and directors, its affiliated companies, and the trusts' Trustees may from time to time have transactions with various banks, including banks serving as custodians for certain of the funds advised by FMR. Transactions that have occurred to date include mortgages and personal and general business loans. In the judgment of FMR, the terms and conditions of those transactions were not influenced by existing or potential custodial or other fund relationships.

AUDITOR. Coopers & Lybrand, One Post Office Square, Boston, Massachusetts, (income fund) and 1999 Bryan Street, Dallas, Texas (money market fund) serves as the trust's independent accountant. The auditor examines financial statements for the funds and provides other audit, tax, and related services.

FINANCIAL STATEMENTS

The funds' Annual Reports for the fiscal periods ended November 30, 199 3 are separate reports supplied with this Statement of Additional Information and are incorporated herein by reference.

DOLLAR-WEIGHTED AVERAGE MATURITY is derived by multiplying the value of each investment by the number of days remaining to its maturity, adding these calculations, and then dividing the total by the value of the fund's portfolio. An obligation's maturity is typically determined on a stated final maturity basis, although there are some exceptions to this rule. For example, if it is probable that the issuer of an instrument will take advantage of a maturity-shortening device, such as a call, refunding, or redemption provision, the date on which the instrument will probably be called, refunded, or redeemed may be considered to be its maturity date. When a municipal bond issuer has committed to call an issue of bonds and has established an independent escrow account that is sufficient to, and is pledged to, refund that issue, the number of days to maturity for the prerefunded bond is considered to be the number of days to the announced call date of the bonds.

APPENDIX

The descriptions that follow are examples of eligible ratings for the funds. A fund may, however, consider the ratings for other types of investments and the ratings assigned by other rating organizations when determining the eligibility of a particular investment.

DESCRIPTION OF MOODY'S INVESTORS SERVICE, INC.'S RATINGS OF STATE AND MUNICIPAL NOTES:

Moody's ratings for state and municipal and other short-term obligations will be designated Moody's Investment Grade (MIG, or VMIG for variable rate obligations). This distinction is in recognition of the difference between short-term credit risk and long-term credit risk. Factors affecting the liquidity of the borrower and short-term cyclical elements are critical in short-term ratings, while other factors of major importance in bond risk, long-term secular trends for example, may be less important over the short run. Symbols used will be as follows:

MIG-1/VMIG-1 - This designation denotes best quality. There is present strong protection by established cash flows, superior liquidity support or demonstrated broad-based access to the market for refinancing.

MIG-2/VMIG-2 - This designation denotes high quality. Margins of protection are ample although not so large as in the preceding group.

MIG-3/VMIG-3 - This designation denotes favorable quality, with all security elements accounted for but there is lacking the undeniable strength of the preceding grades. Liquidity and cash flow protection may be narrow and market access for refinancing is likely to be less well established.

MIG-4/VMIG-4 - This designation denotes adequate quality protection commonly regarded as required of an investment security is present and, although not distinctly or predominantly speculative, there is specific risk.

DESCRIPTION OF STANDARD & POOR'S CORPORATION'S RATINGS OF STATE AND MUNICIPAL NOTES:

SP-1 - Very strong or strong capacity to pay principal and interest. Those issues determined to possess overwhelming safety characteristics will be given a plus (+) designation.

SP-2 - Satisfactory capacity to pay principal and interest.

SP-3 - Speculative capacity to pay principal and interest.

DESCRIPTION OF MOODY'S INVESTORS SERVICE, INC.'S MUNICIPAL BOND RATINGS:

Aaa - Bonds rated Aaa are judged to be of the best quality. They carry the smallest degree of investment risk and are generally referred to as " gilt edge." Interest payments are protected by a large or by an exceptionally stable margin and principal is secure. While the various protective elements are likely to change, such changes as can be visualized are most unlikely to impair the fundamentally strong position of such issues.

Aa - Bonds rated Aa are judged to be of high quality by all standards. Together with the Aaa group they comprise what are generally known as high-grade bonds. They are rated lower than the best bonds because margins of protection may not be as large as in Aaa securities or fluctuation of protective elements may be of greater amplitude or there may be other elements present which make the long-term risks appear somewhat larger than Aaa securities.

A - Bonds rated A possess many favorable investment attributes and are to be considered as upper-medium-grade obligations. Factors giving security to principal and interest are considered adequate but elements may be present which suggest a susceptibility to impairment sometime in the future.

Baa - Bonds rated Baa are considered as medium-grade obligations, i.e., they are neither highly protected nor poorly secured. Interest payments and principal security appear adequate for the present but certain protective elements may be lacking or may be characteristically unreliable over any great length of time. Such bonds lack outstanding investment characteristics and in fact have speculative characteristics as well.

Ba - Bonds rated Ba are judged to have speculative elements. Their future cannot be considered as well assured. Often the protection of interest and principal payments may be very moderate and thereby not well safeguarded during both good and bad times in the future. Uncertainty of position characterizes bonds in this class.

B - Bonds rated B generally lack characteristics of the desirable investment. Assurance of interest and principal payments or maintenance of other terms of the contract over any long period of time may be small.

Caa - Bonds rated Caa are of poor standing. Such issues may be in default or there may be present elements of danger with respect to principal or interest.

Those bonds in the Aa, A, Baa, Ba, and B groups which Moody's believes possess the strongest investment attributes are designated by the symbols Aa1, A1, Baa1, Ba1, and B1.

DESCRIPTION OF STANDARD & POOR'S CORPORATION'S MUNICIPAL BOND RATINGS:

AAA - Debt rated AAA has the highest rating assigned by Standard & Poor's to a debt obligation. Capacity to pay interest and repay principal is extremely strong.

AA - Debt rated AA has a very strong capacity to pay interest and repay principal and differs from the highest-rated debt issues only in small degree.

A - Debt rated A has a strong capacity to pay interest and repay principal, although it is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions.

BBB - Debt rated BBB is regarded as having an adequate capacity to pay interest and repay principal. Whereas it normally exhibits adequate protection parameters, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity to pay interest and repay principal for debt in this category than in higher-rated categories.

BB - Debt rated BB has less near-term vulnerability to default than other speculative issues. However, it faces major ongoing uncertainties or exposure to adverse business, financial, or economic conditions which could lead to inadequate capacity to meet timely interest and principal payments.

B - Debt rated B has a greater vulnerability to default but currently has the capacity to meet interest payments and principal repayments. Adverse business, financial, or economic conditions will likely impair capacity or willingness to pay interest and repay principal. The B rating category is also used for debt subordinated to senior debt that is assigned an actual or implied BB or BB- rating.

CCC - Debt rated CCC has a currently identifiable vulnerability to default, and is dependent upon favorable business, financial, and economic conditions to meet timely payment of interest and repayment of principal. In the event of adverse business, financial, or economic conditions, it is not likely to have the capacity to pay interest and repay principal.

The ratings from AA to B may be modified by the addition of a plus or minus to show relative standing within the major rating categories.

SPARTAN CONNECTICUT MUNICIPAL MONEY MARKET PORTFOLIO
SPARTAN CONNECTICUT MUNICIPAL HIGH YIELD PORTFOLIO
CROSS REFERENCE SHEET
FORM N-1A

ITEM NUMBER PROSPECTUS SECTION

<TABLE>
<CAPTION>

<S>	<C>	<C>	<C>
1		....	Cover Page
2	a	....	Expenses
	b, c	....	Contents; The Funds at a Glance; Who May Want to Invest
3	a	....	Financial Highlights
	b	....	*
	c	....	Performance
4	a	i............................	Charter
		ii..........................	The Funds at a Glance; Investment Principles; Securities and Investment Practices
	b	....	Securities and Investment Practices
	c	....	Who May Want to Invest; Investment Principles; Securities and Investment Practices
5	a	....	Charter
	b	i............................	Doing Business with Fidelity; Charter
		ii..........................	Charter; Breakdown of Expenses
		iii.........................	Expenses; Breakdown of Expenses
	c, d	....	Charter; Breakdown of Expenses; Cover Page; FMR and Its Affiliates
	e	....	FMR and its Affiliates
	f	....	Expenses
	g	....	*
5A		....	Performance
6	a	i............................	Charter
		ii..........................	How to Buy Shares; How to Sell Shares; Transaction Details; Exchange Restrictions
		iii.........................	*
	b	....	*
	c	....	Exchange Restrictions
	d	....	*
	e	....	Doing Business with Fidelity; How to Buy Shares; How to Sell Shares; Investor Services
	f, g	....	Dividends, Capital Gains, and Taxes
7	a	....	Charter; Cover Page

	b	....	How to Buy Shares; Transaction Details
	c	....	*
	d	....	How to Buy Shares
	e	....	*
	f	....	Breakdown of Expenses
8		....	How to Sell Shares; Investor Services; Transaction Details; Exchange Restrictions
9		....	*

</TABLE>

* Not Applicable

SPARTAN CONNECTICUT MUNICIPAL MONEY MARKET PORTFOLIO
SPARTAN CONNECTICUT MUNICIPAL HIGH YIELD PORTFOLIO
CROSS REFERENCE SHEET
(CONTINUED)
FORM N-1A

ITEM NUMBER   STATEMENT OF ADDITIONAL INFORMATION SECTION

<TABLE>
<CAPTION>

<S>	<C>	<C>	<C>
10, 11		....	Cover Page
12		....	*
13	a - c	....	Investment Policies and Limitations
	d	....	*
14	a - c	....	Trustees and Officers
15	a, b	....	*
	c	....	Trustees and Officers
16	a i	....	FMR
	ii	....	Trustees and Officers
	iii	....	Management Contracts
	b	....	Management Contracts
	c, d	....	Interest of FMR Affiliates
	e	....	*
	f	....	Distribution and Service Plans
	g	....	*
	h	....	Description of the Trusts
	i	....	Interest of FMR Affiliates
17	a	....	Portfolio Transactions
	b	....	*
	c	....	Portfolio Transactions
	d, e	....	*
18	a	....	Description of the Trusts
	b	....	*
19	a	....	Additional Purchase and Redemption Information
	b	....	Additional Purchase and Redemption Information; Valuation of Portfolio Securities
	c	....	*

</TABLE>

* Not Applicable

Please read this prospectus before investing, and keep it on file for future reference. It contains important information, including how each fund invests and the services available to shareholders.

A Statement of Additional Information dated January 14, 1994 has been filed with the Securities and Exchange Commission, and is incorporated herein by reference (is legally considered a part of this prospectus). The Statement of Additional Information is available free upon request by calling Fidelity at 1-800-544-8888.

Investments in the money market fund are neither insured nor guaranteed by the U.S. government, and there can be no assurance that the fund will maintain a stable $1.00 share price.

Mutual fund shares are not deposits or obligations of, or endorsed or guaranteed by, any bank, nor are they federally insured or otherwise protected by the FDIC, the Federal Reserve Board, or any other agency.

The funds seek a high level of current income free from federal income tax and Connecticut personal income tax. Spartan New Jersey Municipal High Yield invests in high-quality, short-term instruments and is designed to maintain a stable $1.00 share price. Spartan Florida Municipal Income invests in a broader range of securities.

SPARTAN(Registered trademark)
CONNECTICUT
MUNICIPAL
MONEY MARKET
PORTFOLIO
and
SPARTAN(Registered trademark)
CONNECTICUT
MUNICIPAL
HIGH YIELD
PORTFOLIO

PROSPECTUS
JANUARY 14, 1994

LIKE ALL MUTUAL FUNDS, THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION, NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

NJT-pro-194
(Registered trademark)
82 Devonshire Street, Boston, MA 02109

CONTENTS

KEY FACTS

THE FUNDS AT A GLANCE

MANAGEMENT: Fidelity Management & Research Company (FMR) is the management arm of Fidelity Investments, which was established in 1946 and is now America's largest mutual fund manager. FMR Texas Inc. (FTX), a subsidiary of FMR, chooses investments for Spartan New Jersey Municipal High Yield.

As with any mutual fund, there is no assurance that a fund will achieve its goal.

SPARTAN NJ HIGH YIELD

GOAL: High current tax-free income for Connecticut residents while maintaining a stable share price .

STRATEGY: Invests mainly in high-quality, short-term securities whose interest is free from federal income tax and Connecticut personal income tax.

SIZE: As of November 30, 1993, the fund had over $ 163 million in assets.

SPARTAN FLORIDA INCOME

GOAL: High current tax-free income for Connecticut residents.

STRATEGY: Invests mainly in investment-grade, long-term securities whose interest is free from federal income tax and Connecticut personal income tax.

SIZE: As of November 30, 1993, the fund had over $ 450 million in assets.

WHO MAY WANT TO INVEST

These non-diversified funds may be appropriate for investors in higher tax brackets who seek high current income that is free from federal income tax and Connecticut personal income tax. Each fund's level of risk, and potential reward, depend on the quality and maturity of its investments. Spartan New Jersey Municipal High Yield is managed to keep its share price stable at $1.00. Spartan Florida Municipal Income, with its broader range of investments, has the potential for higher yields, but also carries a higher degree of risk.

These funds do not constitute a balanced investment plan. The value of the funds' investments and the income they generate will vary from day to day, generally reflecting changes in interest rates, market conditions, and other federal and state political and economic news. When you sell your shares of Spartan Florida Municipal Income, they may be worth more or less than what you paid for them.

The Spartan family of funds is designed for cost-conscious investors looking for higher yields through lower costs. The Spartan Approach(Registered trademark) requires investors to make high minimum investments and, in some cases, to pay for individual transactions.

EXPENSES & PERFORMANCE

EXPENSES
SHAREHOLDER TRANSACTION EXPENSES are charges you pay when you buy or sell shares of a fund. See page 13 for more information.

Maximum sales charge on purchases and reinvested dividends None
Deferred sales charge on redemptions None
Redemption fee
(on shares held less than 180 days days)
for Spartan Connecticut Municipal Money Market None
for Spartan Connecticut Municipal High Yield .50%
Exchange and wire transaction fees $5.00
Checkwriting fee, per check written (available for Spartan Connecticut Municipal Money Market) $2.00
Account closeout fee $5.00

THESE FEES ARE WAIVED (except for the redemption fee) if your account balance at the time of the transaction is $50,000 or more.

ANNUAL FUND OPERATING EXPENSES are paid out of each fund's assets. Each fund pays a management fee to FMR. Expenses are factored into each fund's share price or dividends and are not charged directly to shareholder accounts (see page 23).

The following are projections based on historical expenses, and are calculated as a percentage of average net assets.

SPARTAN NJ HIGH YIELD
Management fee . 50%
12b-1 fee None
Other expenses .00%
Total fund operating expenses .50%

SPARTAN FLORIDA INCOME
Management fee . 55%
12b-1 fee None
Other expenses .00%
Total fund operating expenses .55 %

EXAMPLES: Let's say, hypothetically, that each fund's annual return is 5% and that its operating expenses are exactly as just described. For every $1,000 you invested, here's how much you would pay in total expenses after the number of years indicated, first assuming that you leave your account open, and then assuming that you close your account at the end of the period:

SPARTAN NJ HIGH YIELD

	Account open	Account closed
After 1 year	$ 5	$ 10
After 3 years	$ 16	$ 21
After 5 years	$ 28	$ 33
After 10 years	$ 63	$ 68

SPARTAN FLORIDA INCOME

	Account open	Account closed
After 1 year	$ 6	$ 11
After 3 years	$ 18	$ 23
After 5 years	$ 31	$ 36
After 10 years	$ 69	$ 74

These examples illustrate the effect of expenses, but are not meant to suggest actual or expected costs or returns, all of which may vary.

FINANCIAL HIGHLIGHTS
The tables that follow have been audited by Coopers & Lybrand, independent accountants. Their unqualified report is included in the funds' Annual Report. The Annual Report is incorporated by reference into (is legally a part of) the Statement of Additional Information.

SPARTAN CONNECTICUT MONEY MARKET

<TABLE>
<CAPTION>

<S>	<C>	<C>	<C>
46.Selected Per - Share Data and Ratios			
47.Fiscal years ended November 30	1991C	1992	1993
48.Net asset value, beginning of period	$ 1.000	$ 1.000	$ 1.000
49.Income from Investment Operations Net interest income	.029	.030	.022
50. Dividends from net interest income	(.029)	(.030)	(.022)
51.Net asset value, end of period	$ 1.000	$ 1.000	$ 1.000
52.Total returnB	2.97%	3.08%	2.21%
53.Net assets, end of period (000 omitted)	$ 22,247	$ 86,672	$ 163,102
54.Ratio of expenses to average net assets	-	.02%	.24%
55.Ratio of expenses to average net assets before	.50%A	.50%	.50%

expense reductions

56.Ratio of net interest income to average net assets 4.05%A 2.90% 2.17%

</TABLE>

A ANNUALIZED
B TOTAL RETURNS FOR PERIODS OF LESS THAN ONE YEAR ARE NOT ANNUALIZED.
C FROM MARCH 4, 1991 (COMMENCEMENT OF OPERATIONS) TO NOVEMBER 30, 1991

SPARTAN CONNECTICUT HIGH YIELD

<TABLE>
<CAPTION>

<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
57.Selected Per-Share Data and Ratios							
58.Fiscal years ended November 30	1987C	1988	1989	1990	1991	1992	1993
59.Net asset value, beginning of period	$ 10.000	$ 10.030	$ 10.300	$ 10.730	$ 10.730	$ 10.880	$ 11.220
60.Income from Investment Operations Net investment income	.056	.698	.706	.687	.684	.689	.680
61. Net realized and unrealized gain (loss) on investment s	.030	.270	.430	.020	.188	.338	.619
62. Total from investment operations	.086	.968	1.136	.707	.872	.1.027	1.299
63.Less Distributions From net interest income	(.056)	(.698)	(.706)	(.687)	(.684)	(.689)	(.680)
64. From net realized gain on investments	-	-	-	(.020)	(.040)	-	-
65. Total distributions	(.056)	(.698)	(.706)	(.707)	(.724)	(.689)	(.680)
66. Redemption fees added to paid in capital	-	-	-	-	.002	.002	.001
67.Net asset value, end of period	$ 10.030	$ 10.300	$ 10.730	$ 10.730	$ 10.880	$ 11.220	$ 11.840
68.Total returnB	.86%	9.91%	11.36%	6.89%	8.43%	9.72%	11.81%
69.Net assets, end of period (000 omitted)	$ 3,890	$ 73,906	$ 180,385	$ 251,855	$ 346,781	$ 413,748	$ 450,113
70.Ratio of expenses to average net assets	.65%A	.11%	.54%	.62%	.55%	.55%	.55%
71.Ratio of expenses to average net assets before expense reductions	7.45%A	1.06%	.73%	.62%	.60%	.55%	.55%
72.Ratio of net interest income to average net assets	6.15%A	7.10%	6.62%	6.51%	6.34%	6.21%	5.81%
73.Portfolio turnover rate	-	11%	8%	18%	6%	11%	45%

</TABLE>

A ANNUALIZED

B TOTAL RETURNS FOR PERIODS OF LESS THAN ONE YEAR ARE NOT ANNUALIZED.

C FROM OCTOBER 29, 1987 (COMMENCEMENT OF OPERATIONS) TO NOVEMBER 30, 1987

PERFORMANCE

Mutual fund performance can be measured as TOTAL RETURN or YIELD. The total returns and yields that follow are based on historical fund results and do not reflect the effect of any transaction fees you may have paid. The figures would be lower if fees were taken into account.

Each fund's fiscal year runs from December 1 through November 30. The tables below show each fund's performance over past fiscal years compared to a measure of inflation. The chart s on page 8 help you compare the yields of these funds to those of their competitors.

SPARTAN NJ HIGH YIELD

For the Fiscal periods ended November 30, 1993	Past 1 Year	Life of Fund A
Average annual total return	2.21%	3.01%
Cumulative total return	2.21%	8.48%
Consumer Price Index	2.68%	8.16%

SPARTAN FLORIDA INCOME

For the Fiscal periods ended November 30, 1993	Past 1 Year	Past 5 Years	Life of Fund B
Average annual total return	11.81%	9.63%	9.67%
Cumulative total return	11.81%	58.34%	75.53%
Consumer Price Index	2.68%	21.20%	26.45%

A FROM JANUARY 1, 1988

B FROM MARCH 16, 1992

EXPLANATION OF TERMS

UNDERSTANDING PERFORMANCE

YIELD illustrates the income earned by a fund over a recent period. Seven-day yields are the most common illustration of money market performance. 30-day yields are usually used for bond funds. Yields change daily, reflecting changes in interest rates.

TOTAL RETURN reflects both the reinvestment of income and capital gain distributions, and any change in a fund's share price.

(checkmark)

TOTAL RETURN is the change in value of an investment in a fund over a given period, assuming reinvestment of any dividends and capital gains. A CUMULATIVE TOTAL RETURN reflects actual performance over a stated period of time. An AVERAGE ANNUAL TOTAL RETURN is a hypothetical rate of return that, if achieved annually, would have produced the same cumulative total return if performance had been constant over the entire period. Average annual total returns smooth out variations in performance; they are not the same as actual year-by-year results.

YIELD refers to the income generated by an investment in a fund over a given period of time, expressed as an annual percentage rate. When a money market fund yield assumes that income earned is reinvested, it is called an EFFECTIVE YIELD. A TAX-EQUIVALENT YIELD shows what an investor would have to earn before taxes to equal a tax-free yield. Yields for the bond fund are calculated according to a standard that is required for all stock and bond funds. Because this differs from other accounting methods, the quoted yield may not equal the income actually paid to shareholders.

THE CONSUMER PRICE INDEX is a widely recognized measure of inflation calculated by the U.S. government.

THE COMPETITIVE FUNDS AVERAGE S for Spartan New Jersey Municipal High Yield are the IBC/Donoghue's MONEY FUND AVERAGES (registered trademark) /Lipper New Jersey Municipal Debt Funds Average, which currently reflects the performance of over 325 mutual funds with similar objectives. These averages are published in the MONEY FUND REPORT(Registered trademark) by IBC USA (Publications), Inc. The competitive funds average s for Spartan Florida Municipal Income are published by Lipper Analytical Services, Inc. The fund compares its performance to the Lipper Florida Municipal Income Funds Average, which currently reflects the performance of over 12 mutual funds with similar objectives. Both of these averages assume

reinvestment of distributions.
The funds' recent strategies, performance, and holdings are detailed twice a year in financial reports, which are sent to all shareholders. For current performance or a free annual report, call 1-800-544-8888.
TOTAL RETURNS AND YIELDS ARE BASED ON PAST RESULTS AND ARE NOT AN INDICATION OF FUTURE PERFORMANCE.
SPARTAN NJ HIGH YIELD
7-day yields
Percent
age %
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Row: 3, Col: 1, Value: nil
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Row: 4, Col: 1, Value: nil
Row: 4, Col: 2, Value: 4.33
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Row: 15, Col: 1, Value: 3.36
Row: 15, Col: 2, Value: 2.97
Row: 16, Col: 1, Value: 3.48
Row: 16, Col: 2, Value: 3.07
Row: 17, Col: 1, Value: 3.32
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Row: 18, Col: 1, Value: 2.97
Row: 18, Col: 2, Value: 2.46
Row: 19, Col: 1, Value: 2.62
Row: 19, Col: 2, Value: 2.14
Row: 20, Col: 1, Value: 2.61
Row: 20, Col: 2, Value: 2.15
Row: 21, Col: 1, Value: 3.11
Row: 21, Col: 2, Value: 2.67
Row: 22, Col: 1, Value: 2.48
Row: 22, Col: 2, Value: 2.13
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Row: 30, Col: 2, Value: 1.79
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Row: 31, Col: 2, Value: 1.86
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Row: 34, Col: 1, Value: 2.02
Row: 34, Col: 2, Value: 1.95
Row: 35, Col: 1, Value: 1.98
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Spartan NJ
High Yield
Competitive
funds
average

1992
1991
1993
SPARTAN FLORIDA INCOME
30-day yields
Percent
age %
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Row: 24, Col: 2, Value: 5.34
Row: 25, Col: 1, Value: 5.37
Row: 25, Col: 2, Value: 5.05
Row: 26, Col: 1, Value: 5.41
Row: 26, Col: 2, Value: 4.92
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Row: 27, Col: 2, Value: 5.0
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Row: 30, Col: 2, Value: 4.72
Row: 31, Col: 1, Value: 5.02
Row: 31, Col: 2, Value: 4.619999999999999
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Row: 35, Col: 1, Value: nil
Row: 35, Col: 2, Value: nil
Spartan
Florida
Income
Competitive

funds
average
1992

1991
1993
THE TOP CHART SHOWS THE 7-DAY EFFECTIVE YIELD FOR THE FUND AND ITS COMPETITIVE FUNDS AVERAGE AS OF THE LAST TUESDAY OF EACH MONTH FROM JANUARY 1991 THROUGH OCTOBER 1993. THE BOTTOM CHART SHOWS THE 30-DAY ANNUALIZED NET YIELDS FOR THE FUND AND ITS COMPETITIVE FUNDS AVERAGE AS OF THE LAST DAY OF EACH MONTH DURING THE SAME PERIOD. YIELDS FOR THE FUNDS WOULD HAVE BEEN LOWER IF FIDELITY HAD NOT REIMBURSED CERTAIN FUND EXPENSES.

YOUR ACCOUNT

DOING BUSINESS WITH FIDELITY

Fidelity Investments was established in 1946 to manage one of America's first mutual funds. Today, Fidelity is the largest mutual fund company in the country, and is known as an innovative provider of high-quality financial services to individuals and institutions.

In addition to its mutual fund business, the company operates one of America's leading discount brokerage firms, Fidelity Brokerage Services, Inc. (FBSI). Fidelity is also a leader in providing tax-sheltered retirement plans for individuals investing on their own or through their employer.

Fidelity is committed to providing investors with practical information to make investment decisions. Based in Boston, Fidelity provides customers with complete service 24 hours a day, 365 days a year, through a network of telephone service centers around the country.

To reach Fidelity for general information, call these numbers:

(bullet) For mutual funds, 1-800-544-8888
(bullet) For brokerage, 1-800-544-7272

If you would prefer to speak with a representative in person, Fidelity has over 75 walk-in Investor Centers across the country.

TYPES OF ACCOUNTS

You may set up an account directly in a fund or, if you own or intend to purchase individual securities as part of your total investment portfolio, you may consider investing in a fund through a brokerage account.

If you are investing through FBSI or another financial institution or investment professional, refer to its program materials for any special provisions regarding your investment in the fund.

The different ways to set up (register) your account with Fidelity are listed below.

WAYS TO SET UP YOUR ACCOUNT

INDIVIDUAL OR JOINT TENANTS

FOR YOUR GENERAL INVESTMENT NEEDS

Individual accounts are owned by one person. Joint accounts can have two or more owners (tenants).

GIFTS OR TRANSFERS TO A MINOR (UGMA, UTMA)

TO INVEST FOR A CHILD'S EDUCATION OR OTHER FUTURE NEEDS

These custodial accounts provide a way to give money to a child and obtain tax benefits. An individual can give up to $10,000 a year per child without paying federal gift tax. Depending on state laws, you can set up a custodial account under the Uniform Gifts to Minors Act (UGMA) or the Uniform Transfers to Minors Act (UTMA).

TRUST

FOR MONEY BEING INVESTED BY A TRUST

The trust must be established before an account can be opened.

BUSINESS OR ORGANIZATION

FOR INVESTMENT NEEDS OF CORPORATIONS, ASSOCIATIONS, PARTNERSHIPS, OR OTHER GROUPS

Requires a special application.

HOW TO BUY SHARES

EACH FUND'S SHARE PRICE, called net asset value (NAV), is calculated every business day. Spartan New Jersey Municipal High Yield is managed to keep its share price stable at $1.00. Each fund's shares are sold without a sales charge.

Shares are purchased at the next share price calculated after your investment is received and accepted. Share price is normally calculated at 4 p.m. Eastern time.

IF YOU ARE NEW TO FIDELITY, complete and sign an account application and mail it along with your check. You may also open your account in person or by wire as described on page 11. If there is no application accompanying this prospectus, call 1-800-544-8888.

IF YOU ALREADY HAVE MONEY INVESTED IN A FIDELITY FUND, you can:

(bullet) Mail in an application with a check, or
(bullet) Open your account by exchanging from another Fidelity fund.

If you buy shares by check or Fidelity Money Line(Registered trademark), and then sell those shares by any method other than by exchange to another Fidelity fund, the payment may be delayed for up to seven business days to ensure that your previous investment has cleared.

MINIMUM INVESTMENTS

TO OPEN AN ACCOUNT $10,000
For Spartan NJ High Yield $25,000
TO ADD TO AN ACCOUNT $1,000
Through automatic investment plans $500
MINIMUM BALANCE $5,000
For Spartan Conn. Money Market $10,000

UNDERSTANDING THE SPARTAN APPROACH(Registered trademark)
Fidelity's Spartan Approach is based on the principle that lower fund expenses can increase returns. The Spartan funds keep expenses low in two ways. First, higher investment minimums reduce the effect of a fund's fixed costs, many of which are paid on a per-account basis. Second, unlike most mutual funds that include transaction costs as part of overall fund expenses, Spartan shareholders pay directly for the transactions they make.
(checkmark)

<TABLE>
<CAPTION>

<S>	<C> TO OPEN AN ACCOUNT	<C> TO ADD TO AN ACCOUNT
PHONE 1-800-544-7777	(bullet) Exchange from another Fidelity fund account with the same registration, including name, address, and taxpayer ID number.	(bullet) Exchange from another Fidelity fund account with the same registration, including name, address, and taxpayer ID number. (bullet) Use Fidelity Money Line to transfer from your bank account. Call before your first use to verify that this service is in place on your account. Maximum Money Line: $50,000.

</TABLE>

<TABLE>
<CAPTION>

<S>	<C>	<C>
MAIL	(bullet) Complete and sign the application. Make your check payable to the complete name of the fund of your choice. Mail to the address indicated on the application.	(bullet) Make your check payable to the complete name of the fund of your choice. Indicate your fund account number on your check, and mail to the address printed on your account statement. (bullet) Exchange by mail: call 1-800-544-6666 for instructions.

</TABLE>

<TABLE>
<CAPTION>

<S>	<C>	<C>
IN PERSON	(bullet) Bring your application and check to a Fidelity Investor Center. Call 1-800-544-9797 for the center nearest you.	(bullet) Bring your check to a Fidelity Investor Center. Call 1-800-544-9797 for the center nearest you.

</TABLE>

<TABLE>
<CAPTION>

<S>	<C>	<C>
WIRE	(bullet) There may be a $5.00 fee for each wire purchase. (bullet) Call 1-800-544-7777 to set up your account and to arrange a wire transaction. (bullet) Wire within 24 hours to: Bankers Trust Company, Bank Routing #021001033, Account #00163053. Specify the complete name of the fund and include your new account number and your name.	(bullet) There may be a $5.00 fee for each wire purchase. (bullet) Wire to: Bankers Trust Company, Bank Routing #021001033, Account #00163053. Specify the complete name of the fund and include your account number and your name.

</TABLE>

<TABLE>
<CAPTION>

<S>	<C>	<C>
AUTOMATICALLY	(bullet) Not available.	(bullet) Use Fidelity Automatic Account Builder. Sign up for this service when opening your account, or call 1-800-544-6666 to add it.

TDD - SERVICE FOR THE DEAF AND HEARING-IMPAIRED: 1-800-544-0118

</TABLE>

HOW TO SELL SHARES

You can arrange to take money out of your fund account at any time by selling (redeeming) some or all of your shares. Your shares will be sold at the next share price calculated after your order is received and accepted. Share price is normally calculated at 4 p.m. Eastern time.

IF YOU ARE SELLING SOME BUT NOT ALL OF YOUR SHARES, leave at least $5,000 worth of shares in the account ($10,000 for Spartan New Jersey Municipal High Yield) to keep it open.

TO SELL SHARES BY BANK WIRE OR FIDELITY MONEY LINE, you will need to sign up for these services in advance.

CERTAIN REQUESTS MUST INCLUDE A SIGNATURE GUARANTEE. It is designed to protect you and Fidelity from fraud. Your request must be made in writing and include a signature guarantee if any of the following situations apply:

(bullet) You wish to redeem more than $100,000 worth of shares,
(bullet) Your account registration has changed within the last 30 days,
(bullet) The check is being mailed to a different address than the one on your account (record address),
(bullet) The check is being made payable to someone other than the account owner, or
(bullet) The redemption proceeds are being transferred to a Fidelity account with a different registration.

You should be able to obtain a signature guarantee from a bank, broker (including Fidelity Investor Centers), dealer, credit union (if authorized under state law), securities exchange or association, clearing agency, or savings association. A notary public cannot provide a signature guarantee.

SELLING SHARES IN WRITING

Write a "letter of instruction" with:

(bullet) Your name,
(bullet) The fund's name,
(bullet) Your fund account number,
(bullet) The dollar amount or number of shares to be redeemed, and
(bullet) Any other applicable requirements listed in the table at right.

Unless otherwise instructed, Fidelity will send a check to the record address. Deliver your letter to a Fidelity Investor Center, or mail it to:

Fidelity Investments
P.O. Box 660602
Dallas, TX 75266-0602

CHECKWRITING

If you have a checkbook for your account in Spartan New Jersey Municipal High Yield you may write an unlimited number of checks. Do not, however, try to close out your account by check.

ACCOUNT TYPE SPECIAL REQUIREMENTS

IF YOU SELL SHARES OF SPARTAN FLORIDA MUNICIPAL INCOME AFTER HOLDING THEM LESS THAN 180 DAYS, THE FUND WILL DEDUCT A REDEMPTION FEE EQUAL TO .50% OF THE VALUE OF THOSE SHARES. IF YOUR ACCOUNT BALANCE IS LESS THAN $50,000, THERE ARE FEES FOR INDIVIDUAL REDEMPTION TRANSACTIONS: $2.00 FOR EACH CHECK YOU WRITE AND $5.00 FOR EACH EXCHANGE, BANK WIRE, AND ACCOUNT CLOSEOUT.		

PHONE 1-800-544-7777	All account types	(bullet) Maximum check request: $100,000. (bullet) For Money Line transfers to your bank account; minimum: none; maximum: $100,000. (bullet) You may exchange to other Fidelity funds if both accounts are registered with the same name(s), address, and taxpayer ID number.
MAIL OR IN PERSON	Individual, Joint Tenant, Sole Proprietorship, UGMA, UTMA	(bullet) The letter of instruction must be signed by all persons required to sign for transactions, exactly as their names appear on the account.
	Trust	(bullet) The trustee must sign the letter indicating capacity as trustee. If the trustee's name is not in the account registration, provide a copy of the trust document certified within the last 60 days.
	Business or Organization	(bullet) At least one person authorized by corporate resolution to act on the account must sign the letter. (bullet) Include a corporate resolution with corporate seal or a signature guarantee.
	Executor, Administrator, Conservator, Guardian	(bullet) Call 1-800-544-6666 for instructions.
WIRE	All account types	(bullet) You must sign up for the wire feature before using it. To verify that it is in place, call 1-800-544-6666. Minimum wire: $5,000. (bullet) Your wire redemption request must be received by Fidelity before 4 p.m. Eastern time for money to be wired on the next business day.
CHECK	All account types	(bullet) Minimum check: $1,000. (bullet) All account owners must sign a signature card to receive a checkbook.

TDD - SERVICE FOR THE DEAF AND HEARING-IMPAIRED: 1-800-544-0118

INVESTOR SERVICES

Fidelity provides a variety of services to help you manage your account.

INFORMATION SERVICES

FIDELITY'S TELEPHONE REPRESENTATIVES are available 24 hours a day, 365 days a year. Whenever you call, you can speak with someone equipped to provide the information or service you need.

STATEMENTS AND REPORTS that Fidelity sends to you include the following:

(bullet) Confirmation statements (after every transaction, except reinvestments, that affects your account balance or your account registration)
(bullet) Account statements (quarterly)
(bullet) Financial reports (every six months)

24-HOUR SERVICE
ACCOUNT ASSISTANCE
1-800-544-6666
ACCOUNT BALANCES
1-800-544-7544
ACCOUNT TRANSACTIONS
1-800-544-7777
PRODUCT INFORMATION
1-800-544-8888
QUOTES
1-800-544-8544
RETIREMENT ACCOUNT ASSISTANCE
1-800-544-4774
AUTOMATED SERVICE
(checkmark)

To reduce expenses, only one copy of most financial reports will be mailed to your household, even if you have more than one account in the fund. Call 1-800-544-6666 if you need copies of financial reports or historical account information.

TRANSACTION SERVICES

EXCHANGE PRIVILEGE. You may sell your fund shares and buy shares of other Fidelity funds by telephone or in writing. There may be a $5.00 fee for each exchange out of the funds unless you initiate your transaction on Fidelity's automated exchange service.

Note that exchanges out of a fund are limited to four per calendar year, and that they may have tax consequences for you. For complete policies and restrictions governing exchanges, including circumstances under which a shareholder's exchange privilege may be suspended or revoked, see page 20 .

SYSTEMATIC WITHDRAWAL PLANS let you set up monthly or quarterly redemptions from your account.

FIDELITY MONEY LINE(Registered trademark) enables you to transfer money by phone between your bank account and your fund account. Most transfers are complete within three business days of your call.

REGULAR INVESTMENT PLANS

One easy way to pursue your financial goals is to invest money regularly. Fidelity offers convenient services that let you transfer money into your fund account, or between fund accounts, automatically. While regular investment plans do not guarantee a profit and will not protect you against loss in a declining market, they can be an excellent way to invest for a home, educational expenses, and other long-term financial goals.

REGULAR INVESTMENT PLANS

<TABLE>
<CAPTION>
<S> <C> <C>

FIDELITY AUTOMATIC ACCOUNT BUILDERSM
TO MOVE MONEY FROM YOUR BANK ACCOUNT TO A FIDELITY FUND

MINIMUM	FREQUENCY	SETTING UP OR CHANGING
$500	Monthly or quarterly	(bullet) For a new account, complete the appropriate section on the fund application. (bullet) For existing accounts, call 1-800-544-6666 for an application. (bullet) To change the amount or frequency of your investment, call 1-800-544-6666 at least three business days prior to your next scheduled investment date.

DIRECT DEPOSIT
TO SEND ALL OR A PORTION OF YOUR PAYCHECK OR GOVERNMENT CHECK TO A FIDELITY FUNDA

MINIMUM	FREQUENCY	SETTING UP OR CHANGING
$500	Every pay period	(bullet) Check the appropriate box on the fund application, or call 1-800-544-6666 for an authorization form. (bullet) Changes require a new authorization form.

FIDELITY AUTOMATIC EXCHANGE SERVICE

TO MOVE MONEY FROM A FIDELITY MONEY MARKET FUND TO ANOTHER FIDELITY FUND

MINIMUM	FREQUENCY	SETTING UP OR CHANGING
$500	Monthly, bimonthly, quarterly, or annually	(bullet) To establish, call 1-800-544-6666 after both accounts are opened. (bullet) To change the amount or frequency of your investment, call 1-800-544-6666.

</TABLE>

<TABLE>
<CAPTION>
<S> <C> <C>
A BECAUSE BOND FUND SHARE PRICES FLUCTUATE, THAT FUND MAY NOT BE AN APPROPRIATE CHOICE FOR DIRECT DEPOSIT OF YOUR ENTIRE CHECK.

</TABLE>

DIVIDENDS, CAPITAL GAINS, AND TAXES

Each fund distributes substantially all of its net investment income and capital gains , if any, to shareholders each year. Income dividends are declared daily and paid monthly. Capital gains earned by the bond fund are normally distributed in January and December.

DISTRIBUTION OPTIONS

When you open an account, specify on your application how you want to receive your distributions. If the option you prefer is not listed on the application, call 1-800-544-6666 for instructions. Spartan Florida Municipal Income offers four options, Spartan New Jersey Municipal High Yield offers three options:

5. REINVESTMENT OPTION. Your dividend and capital gain distributions, if any, will be automatically reinvested in additional shares of the fund. If you do not indicate a choice on your application, you will be assigned this option.
6. INCOME-EARNED OPTION. Your capital gain distributions, if any, will be automatically reinvested, but you will be sent a check for each dividend distribution. This option is not available for Spartan New Jersey Municipal High Yield.
7. CASH OPTION. You will be sent a check for your dividend and capital gain distributions, if any.
8. DIRECTED DIVIDENDS(Registered trademark) OPTION. Your dividend and capital gain distributions, if any, will be automatically invested in another identically registered Fidelity fund.

Dividends will be reinvested at the fund's NAV on the last day of the month. Capital gain distributions, if any, will be reinvested at the NAV as of the date the fund deducts the distribution from its NAV. The mailing of distribution checks will begin within seven days.

UNDERSTANDING DISTRIBUTIONS

As a fund shareholder, you are entitled to your share of the fund's net income and gains on its investments. The fund passes its earnings along to its investors as DISTRIBUTIONS.

Each fund earns interest from its investments. These are passed along as DIVIDEND DISTRIBUTIONS. A fund may realize capital gains if it sells securities for a higher price than it paid for them. These are passed along as CAPITAL GAIN DISTRIBUTIONS. Money market funds usually don't make capital gain distributions .

(checkmark)

TAXES

As with any investment, you should consider how an investment in a tax-free fund could affect you. Below are some of the funds' tax implications.

TAXES ON DISTRIBUTIONS. Interest income that a fund earns is distributed to shareholders as income dividends. Interest that is federally tax-free remains tax-free when it is distributed.

However, gain on the sale of tax-free bonds results in taxable distributions. Short-term capital gains and a portion of the gain on bonds purchased at a discount are taxed as dividends. Long-term capital gain distributions are taxed as long-term capital gains. These distributions are taxable when they are paid, whether you take them in cash or reinvest them. However, distributions declared in December and paid in January are taxable as if they were paid on December 31. Fidelity will send you and the IRS a statement showing the tax status of the distributions paid to you in the previous year.

The interest from some municipal securities is subject to the federal alternative minimum tax . Each fund may invest up to 100% of its assets in these securities. Individuals who are subject to the tax must report this interest on their tax returns.

To the extent a fund's income dividends are derived from state tax-free obligations, they will be free from the Connecticut income tax on individuals, trusts, and estates . S ubject to adoption of proposed regulations, long-term capital gain distributions , to the extent derived from Connecticut obligations, would also be free from this tax. Additionally, income dividends and long-term capital gain distributions derived from Connecticut obligations would not be subject to the net Connecticut minimum tax.

During fiscal 1993, 100% of each fund's income dividends was free from federal income tax, and 91% and 100% were free from Connecticut taxes for Spartan New Jersey Municipal High Yield and Spartan Florida Municipal Income, respectively. 22.6% of Spartan New Jersey Municipal High Yield's and 8.1% of Spartan Florida Municipal Income's income dividends were subject to the federal alternative minimum tax.

TAXES ON TRANSACTIONS. Your bond fund redemptions - including exchanges to other Fidelity funds - are subject to capital gains tax. A capital gain or loss is the difference between the cost of your shares and the price you receive when you sell them.

Whenever you sell shares of a fund, Fidelity will send you a confirmation statement showing how many shares you sold and at what price. You will also receive a consolidated transaction statement every January. However, it is up to you or your tax preparer to determine whether this sale resulted in a capital gain and, if so, the amount of tax to be paid. Be sure to keep your regular account statements; the information they contain will be essential in calculating the amount of your capital gains.

"BUYING A DIVIDEND." If you buy shares just before a fund deducts a capital gain distribution from its NAV, you will pay the full price for the shares and then receive a portion of the price back in the form of a taxable distribution.

SHAREHOLDER AND ACCOUNT POLICIES

TRANSACTION DETAILS

THE FUNDS ARE OPEN FOR BUSINESS each day the New York Stock Exchange (NYSE) is open. Fidelity normally calculates each fund's net asset value as of the close of business of the NYSE, normally 4 p.m. Eastern time.

EACH FUND'S NAV is the value of a single share. The NAV is computed by adding the value of the fund's investments, cash, and other assets, subtracting its liabilities, and then dividing the result by the number of shares outstanding.

The money market fund values the securities it owns on the basis of amortized cost. This method minimizes the effect of changes in a security's market value and helps the fund to maintain a stable $1.00 share price. For the bond fund, assets are valued primarily on the basis of market quotations, if available. Since market quotations are often unavailable, assets are usually valued by a method that the Board of Trustees believes accurately reflects fair value.

EACH FUND'S OFFERING PRICE (price to buy one share) and REDEMPTION PRICE (price to sell one share) are its NAV.

WHEN YOU SIGN YOUR ACCOUNT APPLICATION, you will be asked to certify that your Social Security or taxpayer identification number is correct and that you are not subject to 31% backup withholding for failing to report income to the IRS. If you violate IRS regulations, the IRS can require a fund to withhold 31% of your taxable distributions and redemptions.

YOU MAY INITIATE MANY TRANSACTIONS BY TELEPHONE. Note that Fidelity will not be responsible for any losses resulting from unauthorized transactions if it follows reasonable procedures designed to verify the identity of the caller. Fidelity will request personalized security codes or other information, and may also record calls. You should verify the accuracy of your confirmation statements immediately after you receive them. If you do not want the ability to redeem and exchange by telephone, call Fidelity for instructions.

IF YOU ARE UNABLE TO REACH FIDELITY BY PHONE (for example, during periods of unusual market activity), consider placing your order by mail or by visiting a Fidelity Investor Center.

EACH FUND RESERVES THE RIGHT TO SUSPEND THE OFFERING OF SHARES for a period of time. Each fund also reserves the right to reject any specific purchase order, including certain purchases by exchange. See "Exchange Restrictions" on page 20 . Purchase orders may be refused if, in FMR's opinion, they are of a size that would disrupt management of a fund.

WHEN YOU PLACE AN ORDER TO BUY SHARES, your order will be processed at the next offering price calculated after your order is received and accepted. Note the following:

(bullet) All of your purchases must be made in U.S. dollars and checks must be drawn on U.S. banks.

(bullet) Fidelity does not accept cash.

(bullet) When making a purchase with more than one check, each check must have a value of at least $50.

(bullet) Each fund reserves the right to limit the number of checks processed at one time.

(bullet) If your check does not clear, your purchase will be cancelled and you could be liable for any losses or fees a fund or its transfer agent has

incurred.
(bullet) Spartan New Jersey Municipal High Yield reserves the right to limit all accounts maintained or controlled by any one person to a maximum total balance of $2 million.
(bullet) You begin to earn dividends as of the first business day following the day of your purchase.
TO AVOID THE COLLECTION PERIOD associated with check and Money Line purchases, consider buying shares by bank wire, U.S. Postal money order, U.S. Treasury check, Federal Reserve check, or direct deposit instead.
YOU MAY BUY OR SELL SHARES OF THE FUNDS THROUGH A BROKER, who may charge you a fee for this service. If you invest through a broker or other institution, read its program materials for any additional service features or fees that may apply.
CERTAIN FINANCIAL INSTITUTIONS that have entered into sales agreements with Fidelity Distributors Corporation (FDC) may enter confirmed purchase orders on behalf of customers by phone, with payment to follow no later than the time when a fund is priced on the following business day. If payment is not received by that time, the financial institution could be held liable for resulting fees or losses.
WHEN YOU PLACE AN ORDER TO SELL SHARES, your shares will be sold at the next NAV calculated after your request is received and accepted. Note the following:
(bullet) Normally, redemption proceeds will be mailed to you on the next business day, but if making immediate payment could adversely affect a fund, it may take up to seven days to pay you.
(bullet) Shares will earn dividends through the date of redemption; however, shares redeemed on a Friday or prior to a holiday will continue to earn dividends until the next business day.
(bullet) Fidelity Money Line redemptions generally will be credited to your bank account on the second or third business day after your phone call.
(bullet) Each fund may hold payment on redemptions until it is reasonably satisfied that investments made by check or Fidelity Money Line have been collected, which can take up to seven business days.
(bullet) Redemptions may be suspended or payment dates postponed when the NYSE is closed (other than weekends or holidays), when trading on the NYSE is restricted, or as permitted by the SEC.
(bullet) If you sell shares by writing a check and the amount of the check is greater than the value of your account, your check will be returned to you and you may be subject to additional charges.
THE REDEMPTION FEE for Spartan Florida Municipal Income, if applicable, will be deducted from the amount of your redemption. This fee is paid to the fund rather than FMR, and it does not apply to shares that were acquired through reinvestment of distributions. If shares you are redeeming were not all held for the same length of time, those share you held longest will be redeemed first for purposes of determining whether the fee applies.
THE FEES FOR INDIVIDUAL TRANSACTIONS are waived if your account balance at the time of the transaction is $50,000 or more. Otherwise, you should note the following:
(bullet) The $2.00 checkwriting charge will be deducted from your account.
(bullet) The $5.00 exchange fee will be deducted from the amount of your exchange.
(bullet) The $5.00 wire fee will be deducted from the amount of your wire.
(bullet) The $5.00 account closeout fee does not apply to exchanges or wires, but it will apply to checkwriting.
IF YOUR ACCOUNT BALANCE FALLS BELOW $5,000 ($10,000 for Spartan New Jersey Municipal High Yield), you will be given 30 days' notice to reestablish the minimum balance. If you do not increase your balance, Fidelity reserves the right to close your account and send the proceeds to you. Your shares will be redeemed at the NAV on the day your account is closed and the $5.00 account closeout fee will be charged.
FIDELITY MAY CHARGE A FEE FOR SPECIAL SERVICES, such as providing historical account documents, that are beyond the normal scope of its services.
EXCHANGE RESTRICTIONS
As a shareholder, you have the privilege of exchanging shares of a fund for shares of other Fidelity funds. However, you should note the following:
(bullet) The fund you are exchanging into must be registered for sale in your state.
(bullet) You may only exchange between accounts that are registered in the same name, address, and taxpayer identification number.
(bullet) Before exchanging into a fund, read its prospectus.
(bullet) If you exchange into a fund with a sales charge, you pay the percentage-point difference between that fund's sales charge and any sales charge you have previously paid in connection with the shares you are exchanging. For example, if you had already paid a sales charge of 2% on your shares and you exchange them into a fund with a 3% sales charge, you would pay an additional 1% sales charge.
(bullet) Exchanges may have tax consequences for you.
(bullet) Because excessive trading can hurt fund performance and shareholders, each fund reserves the right to temporarily or permanently terminate the exchange privilege of any investor who makes more than four exchanges out of the fund per calendar year. Accounts under common ownership or control, including accounts with the same taxpayer

identification number, will be counted together for purposes of the four exchange limit.

(bullet) Each fund reserves the right to refuse exchange purchases by any person or group if, in FMR's judgment, the fund would be unable to invest the money effectively in accordance with its investment objective and policies, or would otherwise potentially be adversely affected.

(bullet) Your exchanges may be restricted or refused if a fund receives or anticipates simultaneous orders affecting significant portions of the fund's assets. In particular, a pattern of exchanges that coincide with a "market timing" strategy may be disruptive to a fund.

Although the funds will attempt to give you prior notice whenever they are reasonably able to do so, they may impose these restrictions at any time. The funds reserve the right to terminate or modify the exchange privilege in the future.

OTHER FUNDS MAY HAVE DIFFERENT EXCHANGE RESTRICTIONS, and may impose administrative fees of up to $7.50 and redemption fees of up to 1.50% on exchanges. Check each fund's prospectus for details.

THE FUNDS IN DETAIL

CHARTER

EACH FUND IS A MUTUAL FUND: an investment that pools shareholders' money and invests it toward a specified goal. In technical terms, Spartan New Jersey Municipal High Yield is currently a non-diversified fund of Court Street Trust, and Spartan Florida Municipal Income is currently a non-diversified fund of Fidelity Court Street Trust. Both trusts are open-end management investment companies. Court Street Trust was organized as a Massachusetts business trust on April 21, 1977. Fidelity Court Street Trust was organized as a Massachusetts business trust on April 21, 1977. There is a remote possibility that one fund might become liable for a misstatement in the prospectus about another fund.

EACH FUND IS GOVERNED BY A BOARD OF TRUSTEES, which is responsible for protecting the interests of shareholders. The trustees are experienced executives who meet throughout the year to oversee the funds' activities, review contractual arrangements with companies that provide services to the funds, and review performance. The majority of trustees are not otherwise affiliated with Fidelity.

THE FUNDS MAY HOLD SPECIAL MEETINGS AND MAIL PROXY MATERIALS. These meetings may be called to elect or remove trustees, change fundamental policies, approve a management contract, or for other purposes. Shareholders not attending these meetings are encouraged to vote by proxy. Fidelity will mail proxy materials in advance, including a voting card and information about the proposals to be voted on. You are entitled to one vote for each share you own.

FMR AND ITS AFFILIATES

FIDELITY FACTS

Fidelity offers the broadest selection of mutual funds in the world.

(bullet) Number of Fidelity mutual funds: over 200

(bullet) Assets in Fidelity mutual funds: over $ 200 billion

(bullet) Number of shareholder accounts: over 15 million

(bullet) Number of investment analysts and portfolio managers: over 200

(checkmark)

The funds are managed by FMR, which chooses their investments and handles their business affairs. FTX has primary responsibility for providing investment management services for Spartan New Jersey Municipal High Yield.

Peter Allegrini is vice president and manager of Spartan Connecticut Municipal High Yield, which he has managed since October 1987. Mr. Allegrini also manages Advisor High Income Municipal, as well as Michigan and Ohio Tax-Free High Yield. He joined Fidelity in 1982.

FDC distributes and markets Fidelity's funds and services. Fidelity Service Co. (FSC) performs transfer agent servicing functions for the funds.

FMR Corp. is the parent company of these organizations. Through ownership of voting common stock, Edward C. Johnson 3d (President and a trustee of the trusts, Johnson family members, and various trusts for the benefit of the Johnson family form a controlling group with respect to FMR Corp.

United Missouri Bank, N.A., is each fund's transfer agent, although it employs FSC to perform these functions for the funds. It is located at 1010 Grand Avenue, Kansas City, Missouri.

To carry out the funds' transactions, FMR may use its broker-dealer affiliates and other firms that sell fund shares, provided that a fund receives services and commission rates comparable to those of other broker-dealers.

BREAKDOWN OF EXPENSES

Like all mutual funds, the funds pay fees related to their daily operations. Expenses paid out of a fund's assets are reflected in its share price or dividends; they are neither billed directly to shareholders nor deducted from shareholder accounts.

Each fund pays a MANAGEMENT FEE to FMR for managing its investments and business affairs. FMR in turn pays fees to an affiliate who provides assistance with these services for Spartan Connecticut Municipal Money Market.

FMR may, from time to time, agree to reimburse the funds for management fees and other expenses above a specified limit. FMR retains the ability to be repaid by a fund if expenses fall below the specified limit prior to the end of the fiscal year. Reimbursement arrangements, which may be terminated at any time without notice, can decrease a fund's expenses and boost its performance.

MANAGEMENT FEE

The management fee is calculated and paid to FMR every month. Each fund pays a management fee at a fixed annual rate of its average net assets: .55% for Spartan New Jersey Municipal High Yield and .55% for Spartan Florida Municipal Income.

The total management fee rate for Spartan New Jersey Municipal High Yield for fiscal 1993, after reimbursement, was . 24%.

FMR HAS SUB-ADVISORY AGREEMENTS with FTX, which has primary responsibility for providing investment management for Spartan New Jersey Municipal High Yield, while FMR retains responsibility for providing other management services. FMR pays FTX 50% of its management fee (before expense reimbursements) for these services.

FSC performs many transaction and accounting functions for the funds. These services include processing shareholder transactions and calculating each fund's share price. FMR, and not the funds, pays for these services.

To offset shareholder service costs, FMR or its affiliates also collect the funds' $5.00 exchange fee, $5.00 account closeout fee, $5.00 fee for wire purchases and redemptions, and, for Spartan New Jersey Municipal High Yield, the $2.00 checkwriting charge. For fiscal 1993, these fees amounted to $2,435, $256, $520, and $1,684 , respectively, for Spartan New Jersey Municipal High Yield and $6,270, $1,475, and $890 , respectively, for Spartan Florida Municipal Income.

Each fund has adopted a Distribution and Service Plan. These plans recognize that FMR may use its resources, including management fees, to pay expenses associated with the sale of fund shares. This may include payments to third parties, such as banks or broker-dealers, that provide shareholder support services or engage in the sale of the fund's shares. It is important to note, however, that the funds do not pay FMR any separate fees for this service.

For fiscal 1993, the portfolio turnover rate for Spartan Florida Municipal Income was 45%. This rate varies from year to year.

INVESTMENT PRINCIPLES

SPARTAN CONNECTICUT MUNICIPAL MONEY MARKET seeks high current income that is free from federal income tax and Connecticut income tax while maintaining a stable $1.00 share price by investing in high-quality, short-term municipal securities of all types. As a result, when you sell your shares, they should be worth the same amount as when you bought them. Of course, there is no guarantee that the fund will maintain a stable $1.00 share price. FMR normally invests at least 65% of the fund's total assets in state tax-tree securities , and normally invests so that at least 80% of the fund's income is free from federal income tax.

The fund follows industry-standard guidelines on the quality and maturity of its investments, which are designed to help maintain a stable $1.00 share price. The fund will purchase only high-quality securities that FMR believes present minimal credit risks and will observe maturity restrictions on the securities it buys. It is possible that a major change in interest rates or a default on the fund's investments could cause its share price (and the value of your investment) to change.

SPARTAN CONNECTICUT MUNICIPAL HIGH YIELD seeks high current income that is free from federal income tax and Connecticut income tax by investing primarily in municipal securities judged by FMR to be of investment-grade quality, although it can also invest in some lower-quality securities. The fund normally invests in long-term bonds, generally maintaining a dollar-weighted average maturity of 15 years or longer, although it may invest in obligations of any maturity. FMR normally invests so that at least 80% of the fund's income is free from both federal and Connecticut personal income taxes.

EACH FUND'S yield and the bond fund's share price change daily based on interest rate changes and on the quality and maturity of its investments. In general, bond prices rise when interest rates fall, and vice versa. This effect is usually more pronounced for longer-term securities. Lower-quality securities offer higher yields, but also carry more risk.

If you are subject to the federal alternative minimum tax, you should note that each fund may invest all of its assets in municipal securities issued to finance private activities. The interest from these investments is a tax-preference item for purposes of the tax.

Each fund's performance is closely tied to the economic and political conditions within the state of Connecticut. The state's economy is sensitive to some industry trends, such as the level of defense spending. For the last several years, Connecticut has been in a recession and its budget has experienced deficits.

FMR normally invests each fund's assets according to its investment strategy. The funds do not expect to invest in federally taxable obligations, and Spartan Florida Municipal Income also does not expect to invest in state taxable obligations. When FMR considers it appropriate, however, it may temporarily invest substantially in cash that is not earning interest or short-term instruments, or it may invest more than normally permitted in taxable obligations.

SECURITIES AND INVESTMENT PRACTICES

The following pages contain more detailed information about types of instruments in which the funds may invest, and strategies FMR may employ in pursuit of the funds' investment objectives. A summary of risks and restrictions associated with these instrument types and investment practices is included as well. Policies and limitations are considered at the time of purchase; the sale of instruments is not required in the event of a subsequent change in circumstances.

FMR may not buy all of these instruments or use all of these techniques to the full extent permitted unless it believes that doing so will help the funds achieve their goals. As a shareholder, you will receive financial reports every six months detailing fund holdings and describing recent investment activities.

DEBT SECURITIES. Bonds and other debt instruments are used by issuers to borrow money from investors. The issuer pays the investor a fixed or variable rate of interest, and must repay the amount borrowed at maturity. Some debt securities, such as zero coupon bonds, do not pay current interest, but are purchased at a discount from their face values. Debt securities have varying degrees of quality and varying levels of sensitivity to changes in interest rates. Longer-term bonds are generally more sensitive to interest rate changes than short-term bonds.

Lower-quality debt securities may have speculative characteristics, and involve greater risk of default or price changes due to changes in the issuer's creditworthiness. The market prices of these securities may fluctuate more than higher-quality securities and may decline significantly in periods of general or regional economic difficulty.

The table below provides a summary of ratings assigned to debt holdings (not including money market instruments) in Spartan Florida Municipal Income's portfolio. These figures are dollar-weighted averages of month-end portfolio holdings during fiscal 1993, and are presented as a percentage of total investments. These percentages are historical and do not necessarily indicate the fund's current or future debt holdings.

SPARTAN CONNECTICUT MUNICIPAL HIGH YIELD

Fiscal 1993 debt holdings, by rating MOODY'S STANDARD & POOR'S
INVESTORS SERVICE, INC. CORPORATION
Rating Average A Rating AverageA
INVESTMENT GRADE
Highest quality Aaa AAA
High quality Aa 65.0% AA 67.3%
Upper-medium grade A A
Medium grade Baa 13.3% BBB 10.9%
LOWER QUALITY
Moderately speculative Ba 1.8% BB 1.8%
Speculative B 0.0% B 0.0%
Highly speculative Caa 0.0% CCC 0.0%
Poor quality Ca CC
Lowest quality, no interest C C
In default, in arrears -- - D 0.0%
80.1% 80.0%

A THE DOLLAR-WEIGHTED AVERAGE OF DEBT SECURITIES NOT RATED BY MOODY'S OR S&P AMOUNTED TO 7.7%. THIS MAY INCLUDE SECURITIES RATED BY OTHER NATIONALLY RECOGNIZED RATING SERVICES, AS WELL AS UNRATED SECURITIES. UNRATED SECURITIES ARE NOT NECESSARILY LOWER-QUALITY SECURITIES. REFER TO THE FUND'S STATEMENT OF ADDITIONAL INFORMATION FOR A MORE COMPLETE DISCUSSION OF THESE RATINGS.

0.0%
0.0%

RESTRICTIONS: Spartan Florida Municipal Income does not currently intend to invest more than one-third of its assets in bonds of equivalent quality to Ba or lower by Moody's and BB or lower by S&P, and does not currently intend to invest in bonds whose quality is judged by FMR to be equivalent to bonds rated lower than B. The fund does not currently intend to invest in bonds rated below Caa by Moody's or CCC by S&P.

MUNICIPAL SECURITIES are issued to raise money for a variety of public purposes, including general financing for state and local governments, or financing for specific projects or public facilities. Municipal securities may be issued in anticipation of future revenues, and may be backed by the full taxing power of a municipality, the revenues from a specific project, or the credit of a private organization. A security's credit may be enhanced by a bank, insurance company, or other financial institution. A fund may own a municipal security directly or may own one through a participation interest.

STATE TAX-FREE SECURITIES include municipal obligations issued by the state of Connecticut or its counties, municipalities, authorities, or other subdivisions. The ability of issuers to repay their debt can be affected by many factors that impact the economic vitality of either the state or a region within the state.

Other state tax-free securities include general obligations of U.S. territories and possessions such as Guam, the Virgin Islands, and Puerto Rico, and their political subdivisions and public corporations, the interest on which federal law prohibits the states from taxing. The economy of Puerto Rico is closely linked to the U.S. economy, and will depend on the strength of the U.S. dollar, interest rates, the price stability of oil imports, and the continued existence of favorable tax incentives. Recent legislation reduced these incentives, but it is impossible to predict what impact the changes will have.

MUNICIPAL LEASE OBLIGATIONS are used by municipalities to acquire land, equipment, or facilities. If the municipality stops making payments or transfers its obligations to a private entity, the obligation could lose value or become taxable.

PRIVATE ENTITIES may be involved in some municipal securities. For example, industrial revenue bonds are backed by private entities, and resource recovery bonds often involve private corporations. The viability of a project or tax incentives could affect the value and credit quality of these securities.

ASSET-BACKED SECURITIES may include pools of purchase contracts, financing leases, or sales agreements entered into by municipalities. These securities usually rely on continued payments by a municipality, and may also be subject to prepayment risk.

VARIABLE- AND FLOATING-RATE INSTRUMENTS may have interest rates that move in tandem with a benchmark, helping to stabilize their prices. Inverse floaters have interest rates that move in the opposite direction from the benchmark, making the instrument's market value more volatile.

PUT FEATURES entitle the holder to put (sell back) an instrument to the issuer or a financial intermediary. In exchange for this benefit, a fund may pay periodic fees or accept a lower interest rate. Demand features, standby commitments, and tender options are types of put features.

ADJUSTING INVESTMENT EXPOSURE. A fund can use various techniques to increase or decrease its exposure to changing security prices, interest rates, or other factors that affect security values. These techniques may involve derivative transactions such as buying and selling options and futures contracts and purchasing indexed securities.

FMR can use these practices to adjust the risk and return characteristics of a fund's portfolio of investments. If FMR judges market conditions incorrectly or employs a strategy that does not correlate well with the fund's investments, these techniques could result in a loss, regardless of whether the intent was to reduce risk or increase return. These techniques may increase the volatility of the fund and may involve a small investment of cash relative to the magnitude of the risk assumed. In addition, these techniques could result in a loss if the counterparty to the transaction does not perform as promised.

WHEN-ISSUED AND DELAYED-DELIVERY TRANSACTIONS are trading practices in which payment and delivery for the securities take place at a future date. The market value of a security could change during this period, which could affect a fund's yield or the market value of its assets.

ILLIQUID AND RESTRICTED SECURITIES. Some investments may be determined by FMR, under the supervision of the Board of Trustees, to be illiquid, which means that they may be difficult to sell promptly at an acceptable price. The sale of other securities may be subject to legal restrictions. Difficulty in selling securities may result in a loss or may be costly to a fund.

RESTRICTIONS: A fund may not purchase a security if, as a result, more than 10% of its assets would be invested in illiquid securities.

DIVERSIFICATION. Diversifying a fund's investment portfolio can reduce the risks of investing. This may include limiting the amount of money invested in any one issuer or, on a broader scale, in any one industry or type of project. Economic, business, or political changes can affect all securities of a similar type. A fund that is not diversified may be more sensitive to these changes, and also to changes in the market value of a single issuer or industry.

RESTRICTIONS: The funds are considered non-diversified. To meet quarterly federal tax requirements, however, a fund generally does not invest more than 25% of its total assets in any one issuer and, with respect to 50% of total assets, does not invest more than 5% of its total assets in any one issuer. These limitations do not apply to U.S. government securities. A fund may invest more than 25% of its total assets in tax-free securities that finance similar types of projects.

BORROWING. A fund may borrow from banks or from other funds advised by FMR, or through reverse repurchase agreements. If a bond fund borrows money, its share price may be subject to greater fluctuation until the borrowing is paid off. If the fund makes additional investments while borrowings are outstanding, this may be considered a form of leverage.

RESTRICTIONS: A fund may borrow only for temporary or emergency purposes, but not in an amount exceeding 33% of its total assets.

FUNDAMENTAL INVESTMENT POLICIES AND RESTRICTIONS

Some of the policies and restrictions discussed on the preceding pages are fundamental, that is, subject to change only by shareholder approval. The following paragraphs restate all those that are fundamental. All policies stated throughout this prospectus, other than those identified in the following paragraphs, can be changed without shareholder approval.

SPARTAN NEW JERSEY MUNICIPAL HIGH YIELD seeks as high a level of current income, exempt from federal income tax and, to the extent possible, exempt from Connecticut personal income tax, as is consistent with preservation of

capital and liquidity. The fund will normally invest so that at least 65% of its total assets are invested in state tax-free obligations and at least 80% of its income will be exempt from federal income tax.
SPARTAN FLORIDA MUNICIPAL INCOME seeks a high level of current income, exempt from federal income tax and Connecticut personal income tax. The fund will normally invest so that at least 80% of its income is exempt from both federal and Connecticut personal income taxes.
EACH FUND may borrow only for temporary or emergency purposes, but not in an amount exceeding 33% of its total assets.

This prospectus is printed on recycled paper using soy-based inks.

SPARTAN(registered trademark) CONNECTICUT MUNICIPAL HIGH YIELD PORTFOLIO
A FUND OF FIDELITY COURT STREET TRUST
SPARTAN(registered trademark) CONNECTICUT MUNICIPAL MONEY MARKET PORTFOLIO
A FUND OF FIDELITY COURT STREET TRUST II
STATEMENT OF ADDITIONAL INFORMATION
JANUARY 14 , 1994
This Statement is not a prospectus but should be read in conjunction with the funds' current Prospectus (dated January 14 , 1994). Please retain this document for future reference. The Annual Report for the fiscal year ended November 30, 1993 is incorporated herein by reference. To obtain an additional copy of the Prospectus or the Annual Report, please call Fidelity Distributors Corporation at 1-800-544-8888.
TABLE OF CONTENTS PAGE

INVESTMENT ADVISER
Fidelity Management & Research Company (FMR)
INVESTMENT SUB-ADVISER (MONEY MARKET FUND ONLY)
FMR Texas Inc. (FMR Texas)
DISTRIBUTOR
Fidelity Distributors Corporation (FDC)
TRANSFER AGENT
United Missouri Bank, N.A. (United Missouri) and Fidelity Service Co. (FSC)
CTR-ptB-194

INVESTMENT POLICIES AND LIMITATIONS
The following policies and limitations supplement those set forth in the Prospectus. Unless otherwise noted, whenever an investment policy or limitation states a maximum percentage of a fund's assets that may be invested in any security or other asset, or sets forth a policy regarding quality standards, such standard or percentage limitation will be determined immediately after and as a result of the fund's acquisition of such security or other asset. Accordingly, any subsequent change in values, net assets, or other circumstances will not be considered when determining whether the investment complies with the fund's investment policies and limitations.
Each fund's fundamental investment policies and limitations cannot be changed without approval by a "majority of the outstanding voting securities" (as defined in the Investment Company Act of 1940) of the fund. However, except for the fundamental investment limitations set forth below, the investment policies and limitations described in this Statement of Additional Information are not fundamental and may be changed without

shareholder approval.

INVESTMENT LIMITATIONS OF SPARTAN CONNECTICUT MUNICIPAL MONEY MARKET PORTFOLIO

(MONEY MARKET FUND)

THE FOLLOWING ARE THE MONEY MARKET FUND'S FUNDAMENTAL INVESTMENT LIMITATIONS SET FORTH IN THEIR ENTIRETY. THE FUND MAY NOT:

(1) issue senior securities, except as permitted under the Investment Company Act of 1940;

(2) sell securities short, unless it owns or has the right to obtain securities equivalent in kind and amount to the securities sold short;

(3) purchase securities on margin, except that the fund may obtain such short-term credits as are necessary for the clearance of transactions;

(4) borrow money, except that the fund may borrow money for temporary or emergency purposes (not for leveraging or investment) in an amount not exceeding 33 1/3% of its total assets (including the amount borrowed) less liabilities (other than borrowings). Any borrowings that come to exceed this amount will be reduced within three days (not including Sundays and holidays) to the extent necessary to comply with the 33 1/3% limitation;

(5) underwrite securities issued by others, except to the extent that the fund may be considered an underwriter within the meaning of the Securities Act of 1933 in the disposition of restricted securities;

(6) purchase the securities of any issuer (other than securities issued or guaranteed by the U.S. government or any of its agencies or instrumentalities, or municipal securities issued or guaranteed by a U.S. territory or possession or a state or local government, or a political subdivision of any of the foregoing) if, as a result, more than 25% of the fund's total assets would be invested in securities of companies whose principal business activities are in the same industry;

(7) purchase or sell real estate unless acquired as a result of ownership of securities or other instruments (but this shall not prevent the fund from investing in securities or other instruments backed by real estate or securities of companies engaged in the real estate business);

(8) purchase or sell physical commodities unless acquired as a result of ownership of securities or other instruments; or

(9) lend any security or make any other loan if, as a result, more than 33 1/3% of its total assets would be lent to other parties, but this limitation does not apply to purchases of debt securities or to repurchase agreements.

(10) The fund may, notwithstanding any other fundamental investment policy or limitation, invest all of its assets in the securities of a single open-end management investment company with substantially the same fundamental investment objectives, policies, and limitations as the fund.

THE FOLLOWING INVESTMENT LIMITATIONS ARE NOT FUNDAMENTAL, AND MAY BE CHANGED WITHOUT SHAREHOLDER APPROVAL.

(i) To meet federal tax requirements for qualification as a "regulated investment company," the fund limits its investments so that at the close of each quarter of its taxable year: (a) with regard to at least 50% of total assets, no more than 5% of total assets are invested in the securities of a single issuer, and (b) no more than 25% of total assets are invested in the securities of a single issuer. Limitations (a) and (b) do not apply to "Government securities" as defined for federal tax purposes.

(ii) The fund does not currently intend to sell securities short.

(iii) The fund may borrow money only (a) from a bank or from a registered investment company or fund for which FMR or an affiliate serves as investment adviser or (b) by engaging in reverse repurchase agreements with any party (reverse repurchase agreements are treated as borrowings for purposes of fundamental investment limitation (4)). The fund will not purchase any security while borrowings representing more than 5% of its total assets are outstanding. The fund will not borrow from other funds advised by FMR or its affiliates if total outstanding borrowings immediately after such borrowing would exceed 15% of the fund's total assets.

(iv) The fund does not currently intend to purchase any security if, as a result, more than 10% of its net assets would be invested in securities that are deemed to be illiquid because they are subject to legal or contractual restrictions on resale or because they cannot be sold or disposed of in the ordinary course of business at approximately the prices at which they are valued.

(v) The fund does not currently intend to invest more than 25% of its total assets in industrial revenue bonds related to a single industry.

(vi) The fund does not currently intend to engage in repurchase agreements or make loans, but this limitation does not apply to purchases of debt securities.

(vii) The fund does not currently intend to (a) purchase securities of other investment companies, except in the open market where no commission except the ordinary broker's commission is paid, or (b) purchase or retain securities issued by other open-end investment companies. Limitations (a) and (b) do not apply to securities received as dividends, through offers of exchange, or as a result of a reorganization, consolidation, or merger.

(viii) The fund does not currently intend to invest all of its assets in the securities of a single open-end management investment company with substantially the same fundamental investment objectives, policies, and limitations as the fund.

For purposes of limitations (6) and (i), FMR identifies the issuer of a security depending on its terms and conditions. In identifying the issuer, FMR will consider the entity or entities responsible for payment of interest and repayment of principal and the source of such payments; the way in which assets and revenues of an issuing political subdivision are separated from those of other political entities; and whether a governmental body is guaranteeing the security.

INVESTMENT LIMITATIONS OF SPARTAN CONNECTICUT MUNICIPAL HIGH YIELD PORTFOLIO

(HIGH YIELD FUND)

THE FOLLOWING ARE THE HIGH YIELD FUND'S FUNDAMENTAL INVESTMENT LIMITATIONS SET FORTH IN THEIR ENTIRETY. THE FUND MAY NOT:

(1) issue bonds or any other class of securities preferred over shares of the fund in respect of the fund's assets or earnings, provided that Fidelity Court Street Trust may issue additional series of shares in accordance with its Declaration of Trust;

(2) sell securities short, unless it owns, or by virtue of ownership of other securities has the right to obtain, securities equivalent in kind and amount to the securities sold short, and provided that transactions in futures contracts are not deemed to constitute short sales;

(3) purchase securities on margin, except that the fund may obtain such short-term credits as are necessary for the clearance of transactions, and provided that the fund may make initial and variation margin payments in connection with transactions in futures contracts and options on futures contracts;

(4) borrow money, except that the fund may borrow money for temporary or emergency purposes (not for leveraging or investment) in an amount not exceeding 33 1/3% of the value of its total assets (less liabilities other than borrowings). Any borrowings that come to exceed 33 1/3% of the value of the fund's total assets by reason of a decline in total assets will be reduced within three days to the extent necessary to comply with the 33 1/3% limitation;

(5) underwrite securities issued by others (except to the extent that the fund may be deemed to be an underwriter within the meaning of the Securities Act of 1933 in the disposition of restricted securities);

(6) purchase the securities of any issuer (other than securities issued or guaranteed by the U.S. government or any of its agencies, instrumentalities, territories or possessions, or issued or guaranteed by a state government or political subdivision thereof) if, as a result, more than 25% of the value of its total assets would be invested in securities of companies having their principal business activities in the same industry;

(7) purchase or sell real estate unless acquired as a result of ownership of securities or other instruments (but this shall not prevent the fund from investing in securities or other instruments backed by real estate or securities of companies engaged in the real estate business);

(8) purchase or sell physical commodities unless acquired as a result of ownership of securities (but this shall not prevent the fund from purchasing or selling futures contracts); or

(9) lend any security or make any other loan if, as a result, more than 33 1/3% of its total assets would be lent to other parties, but this limitation does not apply to purchases of debt securities or to repurchase agreements.

Investment limitation (4) is construed in conformity with the 1940 Act, and, accordingly, "three days" means three days exclusive of Sundays and holidays.

THE FOLLOWING INVESTMENT LIMITATIONS ARE NOT FUNDAMENTAL, AND MAY BE CHANGED WITHOUT SHAREHOLDER APPROVAL.

(i) To meet federal tax requirements for qualification as a "regulated investment company," the fund limits its investments so that at the close of each quarter of its taxable year: (a) with regard to at least 50% of total assets, no more than 5% of total assets are invested in the securities of a single issuer, and (b) no more than 25% of total assets are invested in the securities of a single issuer. Limitations (a) and (b) do not apply to "Government securities" as defined for federal tax purposes.

(ii) The fund does not currently intend to sell securities short.

(iii) The fund may borrow money only (a) from a bank or from a registered investment company or fund for which FMR or an affiliate serves as investment adviser or (b) by engaging in reverse repurchase agreements with any party (reverse repurchase agreements are treated as borrowings for purposes of fundamental investment limitation (4)). The fund will not purchase any security while borrowings representing more than 5% of its total assets are outstanding. The fund will not borrow from other funds advised by FMR or its affiliates if total outstanding borrowings immediately after such borrowing would exceed 15% of the fund's total assets.

(iv) The fund does not currently intend to purchase any security if, as a result, more than 10% of its net assets would be invested in securities that are deemed to be illiquid because they are subject to legal or contractual restrictions on resale or because they cannot be sold or disposed of in the ordinary course of business at approximately the prices at which they are valued.

(v) The fund does not currently intend to invest more than 25% of its total assets in industrial revenue bonds related to a single industry.

(vi) The fund does not currently intend to engage in repurchase agreements or make loans, but this limitation does not apply to purchases of debt securities.

(vii) The fund does not currently intend to (a) purchase securities of other investment companies, except in the open market where no commission except the ordinary broker's commission is paid, or (b) purchase or retain securities issued by other open-end investment companies. Limitations (a) and (b) do not apply to securities received as dividends, through offers of exchange, or as a result of a reorganization, consolidation, or merger.

For purposes of limitations (6) and (i), FMR identifies the issuer of a security depending on its terms and conditions. In identifying the issuer, FMR will consider the entity or entities responsible for payment of interest and repayment of principal and the source of such payments; the way in which assets and revenues of an issuing political subdivision are separated from those of other political entities; and whether a governmental body is guaranteeing the security.

For the high yield fund's limitations on futures and options transactions, see the section entitled "Limitations on Futures and Options Transactions" beginning on page 8.

AFFILIATED BANK TRANSACTIONS. Pursuant to exemptive orders issued by the Securities and Exchange Commission (SEC), the funds may engage in transactions with banks that are, or may be considered to be, "affiliated persons" of the funds under the Investment Company Act of 1940. Such transactions may be entered into only pursuant to procedures established and periodically reviewed by the Board of Trustees. These transactions may include repurchase agreements with custodian banks; purchases, as principal, of short-term obligations of, and repurchase agreements with, the 50 largest U.S. banks (measured by deposits); transactions in municipal securities; and transactions in U.S. government securities with affiliated banks that are primary dealers in these securities.

QUALITY AND MATURITY (MONEY MARKET FUND ONLY). Pursuant to procedures adopted by the Board of Trustees, the fund may purchase only high-quality securities that FMR believes present minimal credit risks. To be considered high-quality, a security must be a U.S. government security; rated in accordance with applicable rules in one of the two highest categories for short-term securities by at least two nationally recognized rating services (or by one, if only one rating service has rated the security); or, if unrated, judged to be of equivalent quality by FMR.

High-quality securities are divided into "first tier" and "second tier" securities. First tier securities have received the highest rating (e.g., Standard & Poor's A-1 rating) from at least two rating services (or one, if only one has rated the security). Second tier securities have received ratings within the two highest categories (e.g., Standard & Poor's A-1 or A-2) from at least two rating services (or one, if only one has rated the security), but do not qualify as first tier securities. If a security has been assigned different ratings by different ratings services, at least two rating services must have assigned the higher rating in order for FMR to determine eligibility on the basis of that higher rating. Based on procedures adopted by the Board of Trustees, FMR may determine that an unrated security is of equivalent quality to a rated first or second tier security.

The fund may not invest more that 5% of its total assets in second tier securities. In addition, the fund may not invest more than 1% of its total assets or $1 million (whichever is greater) in the second tier securities of a single issuer.

The fund must limit its investments to securities with remaining maturities of 397 days or less and must maintain a dollar-weighted average maturity of 90 days or less.

DELAYED-DELIVERY TRANSACTIONS. Each fund may buy and sell securities on a delayed-delivery or when-issued basis. These transactions involve a commitment by a fund to purchase or sell specific securities at a predetermined price or yield, with payment and delivery taking place after the customary settlement period for that type of security (and more than seven days in the future). Typically, no interest accrues to the purchaser until the security is delivered. The high yield fund may receive fees for entering into delayed-delivery transactions.

When purchasing securities on a delayed-delivery basis, each fund assumes the rights and risks of ownership, including the risk of price and yield fluctuations. Because a fund is not required to pay for securities until the delivery date, these risks are in addition to the risks associated with the fund's other investments. If a fund remains substantially fully invested at a time when delayed-delivery purchases are outstanding, the delayed-delivery purchases may result in a form of leverage. When delayed-delivery purchases are outstanding, the fund will set aside appropriate liquid assets in a segregated custodial account to cover its purchase obligations. When a fund has sold a security on a delayed-delivery basis, the fund does not participate in further gains or losses with respect to the security. If the other party to a delayed-delivery transaction fails to deliver or pay for the securities, the fund could miss a favorable price or yield opportunity, or could suffer a loss.

Each fund may renegotiate delayed-delivery transactions after they are entered into, and may sell underlying securities before they are delivered, which may result in capital gains or losses.

REFUNDING CONTRACTS. The high yield fund may purchase securities on a when-issued basis in connection with the refinancing of an issuer's outstanding indebtedness. Refunding contracts require the issuer to sell and the fund to buy refunded municipal obligations at a stated price and yield on a settlement date that may be several months or several years in the future. The fund generally will not be obligated to pay the full purchase price if it fails to perform under a refunding contract. Instead, refunding contracts generally provide for payment of liquidated damages to the issuer (currently 15-20% of the purchase price). The fund may secure its obligations under a refunding contract by depositing collateral or a letter of credit equal to the liquidated damages provisions of the refunding contract. When required by SEC guidelines, the fund will place liquid assets in a segregated custodial account equal in amount to its obligations under refunding contracts.

INVERSE FLOATERS. The high yield fund may invest in inverse floaters, which are instruments whose interest rates bear an inverse relationship to the interest rate on another security or the value of an index. Changes in the interest rate on the other security or index inversely affect the residual interest rate paid on the inverse floater, with the result that the inverse floater's price will be considerably more volatile than that of a fixed-rate bond. For example, a municipal issuer may decide to issue two variable-rate instruments instead of a single long-term, fixed-rate bond. The interest rate on one instrument reflects short-term interest rates, while the interest rate on the other instrument (the inverse floater) reflects the approximate rate the issuer would have paid on a fixed-rate bond, multiplied by two, minus the interest rate paid on the short-term instrument. Depending on market availability, the two portions may be recombined to form a fixed-rate municipal bond. The market for inverse floaters is relatively new.

VARIABLE OR FLOATING RATE OBLIGATIONS bear variable or floating interest rates and carry rights that permit holders to demand payment of the unpaid principal balance plus accrued interest from the issuers or certain financial intermediaries. Floating rate instruments have interest rates that change whenever there is a change in a designated base rate while variable rate instruments provide for a specified periodic adjustment in the interest rate. These formulas are designed to result in a market value for the instrument that approximates its par value.

With respect to the money market fund, a demand instrument with a conditional demand feature must have received both a short-term and a long-term high-quality rating or, if unrated, have been determined to be of comparable quality pursuant to procedures adopted by the Board of Trustees. A demand instrument with an unconditional demand feature may be acquired solely in reliance upon a short-term high-quality rating or, if unrated, upon a finding of comparable short-term quality pursuant to procedures adopted by the Board of Trustees.

The fund s may invest in fixed-rate bonds that are subject to third party puts and in participation interests in such bonds held in trust or otherwise. These bonds and participation interests have tender options or demand features that permit a fund to tender (or put) the bonds to an institution at periodic intervals and to receive the principal amount thereof. A fund consider s variable rate instruments structured in this way (Participating VRDOs) to be essentially equivalent to other VRDOs it purchase s . The IRS has not ruled whether the interest on Participating VRDOs is tax-exempt and, accordingly, a fun d intend s to purchase these instruments based on opinions of bond counsel.

T he money market fund may invest in variable or floating rate instrument s that ultimately mature in 397 days if the fund acquires a right to sell the instruments that meets certain requirements set forth in Rule 2a-7. V ariable rate instrument s (including instruments subject to a demand feature) that mature in 397 days or less may be deemed to have maturit ies equal to the period remaining until the next readjustment of the interest rate . Other variable rate instruments with demand features may be deemed to have a maturity equal to the period remaining until the next adjustment of the interest rate or the period remaining until the principal amount can be recovered through demand. A floating rate instrument subject to a demand feature may be deemed to have a maturity equal to the period remaining until the principal amount can be recovered through demand.

TENDER OPTION BONDS are created by coupling an intermediate- or long-term, fixed-rate, tax-exempt bond (generally held pursuant to a custodial arrangement) with a tender agreement that gives the holder the option to tender the bond at its face value. As consideration for providing the tender option, the sponsor (usually a bank, broker-dealer, or other financial institution) receives periodic fees equal to the difference between the bond's fixed coupon rate and the rate (determined by a remarketing or similar agent) that would cause the bond, coupled with the tender option, to trade at par on the date of such determination. After payment of the tender option fee, a fund effectively holds a demand obligation that bears interest at the prevailing short-term tax-exempt rate. Subject to applicable regulatory requirements, the money market fund may buy tender option bonds if the agreement gives the fund the right to tender the bond to its sponsor no less frequently than once every 397 days. In selecting tender option bonds for the funds, FMR will consider the creditworthiness of the issuer of the underlying bond, the custodian, and the third party provider of the tender option. In certain instances, a sponsor may terminate a tender option if, for example, the issuer of the underlying bond defaults on interest payments.

ZERO COUPON BONDS do not make regular interest payments. Instead, they are sold at a deep discount from their face value and are redeemed at face value when they mature. Because zero coupon bonds do not pay current income, their prices can be very volatile when interest rates change. In calculating its daily dividend, a fund takes into account as income a portion of the difference between a zero coupon bond's purchase price and its face value.

STANDBY COMMITMENTS are puts that entitle holders to same-day settlement at an exercise price equal to the amortized cost of the underlying security plus accrued interest, if any, at the time of exercise. Each fund may acquire standby commitments to enhance the liquidity of portfolio securities, but, in the case of the money market fund, only when the issuers of the commitments present minimal risk of default.

Ordinarily a fund will not transfer a standby commitment to a third party, although it could sell the underlying municipal security to a third party at any time. A fund may purchase standby commitments separate from or in conjunction with the purchase of securities subject to such commitments. In the latter case, the fund would pay a higher price for the securities acquired, thus reducing their yield to maturity. Standby commitments will not affect the dollar-weighted average maturity of the money market fund, or the valuation of the securities underlying the commitments.

Issuers or financial intermediaries may obtain letters of credit or other guarantees to support their ability to buy securities on demand. FMR may rely upon its evaluation of a bank's credit in determining whether to support an instrument supported by a letter of credit. In evaluating a foreign bank's credit, FMR will consider whether adequate public information about the bank is available and whether the bank may be subject to unfavorable political or economic developments, currency controls, or other governmental restrictions that might affect the bank's ability to honor its credit commitment.

Standby commitments are subject to certain risks, including the ability of issuers of standby commitments to pay for securities at the time the commitments are exercised; the fact that standby commitments are not marketable by the funds; and the possibility that the maturities of the underlying securities may be different from those of the commitments.

MUNICIPAL LEASE OBLIGATIONS. Each fund may invest a portion of its assets in municipal leases and participation interests therein. These obligations, which may take the form of a lease, an installment purchase, or a conditional sale contract, are issued by state and local governments and authorities to acquire land and a wide variety of equipment and facilities. Generally, the funds will not hold such obligations directly as a lessor of the property, but will purchase a participation interest in a municipal obligation from a bank or other third party. A participation interest gives a fund a specified, undivided interest in the obligation in proportion to its purchased interest in the total amount of the obligation.

Municipal leases frequently have risks distinct from those associated with general obligation or revenue bonds. State constitutions and statutes set forth requirements that states or municipalities must meet to incur debt. These may include voter referenda, interest rate limits, or public sale requirements. Leases, installment purchases, or conditional sale contracts (which normally provide for title to the leased asset to pass to the governmental issuer) have evolved as a means for governmental issuers to acquire property and equipment without meeting their constitutional and statutory requirements for the issuance of debt. Many leases and contracts include "non-appropriation clauses" providing that the governmental issuer has no obligation to make future payments under the lease or contract unless money is appropriated for such purposes by the appropriate legislative body on a yearly or other periodic basis. Non-appropriation clauses free the issuer from debt issuance limitations.

FEDERALLY TAXABLE OBLIGATIONS. The funds do not intend to invest in securities whose interest is federally taxable; however, from time to time, each fund may invest a portion of its assets on a temporary basis in fixed-income obligations whose interest is subject to federal income tax. For example, each fund may invest in obligations whose interest is federally taxable pending the investment or reinvestment in municipal securities of proceeds from the sale of its shares or sales of portfolio securities.

Should a fund invest in federally taxable obligations, it would purchase securities that in FMR's judgment are of high quality. These would include obligations issued or guaranteed by the U.S. government or its agencies or instrumentalities; obligations of domestic banks; and repurchase agreements. The high yield fund's standards for high-quality, taxable obligations are essentially the same as those described by Moody's Investors Service, Inc. (Moody's) in rating corporate obligations within its two highest ratings of Prime-1 and Prime-2, and those described by Standard & Poor's Corporation (S&P) in rating corporate obligations within its two highest ratings of A-1 and A-2. The money market fund will purchase taxable obligations only if they meet its quality requirements.

Proposals to restrict or eliminate the federal income tax exemption for interest on municipal obligations are introduced before Congress from time to time. Proposals also may be introduced before the Connecticut legislature that would affect the state tax treatment of the funds' distributions. If such proposals were enacted, the availability of municipal obligations and the value of the funds' holdings would be affected and the Trustees would reevaluate the funds' investment objectives and policies.

Each fund anticipates being as fully invested as practicable in municipal securities; however, there may be occasions when, as a result of maturities of portfolio securities, sales of fund shares, or in order to meet redemption requests, a fund may hold cash that is not earning income. In addition, there may be occasions when, in order to raise cash to meet redemptions, a fund may be required to sell securities at a loss.

INDEXED SECURITIES. The high yield fund may purchase securities whose prices are indexed to the prices of other securities, securities indicies, or other financial indicators. Indexed securities typically, but not always, are debt securities or deposits whose value at maturity or coupon rate is determined by reference to a specific instrument or statistic. Indexed securities may have principal payments as well as coupon payments that depend on the performance of one or more interest rates. Their coupon rates or principal payments may change by several percentage points for every 1% interest rate change. One example of indexed securities is inverse floaters.

The performance of indexed securities depends to a great extent on the performance of the security or other instrument to which they are indexed, and may also be influenced by interest rate changes. At the same time, indexed securities are subject to the credit risks associated with the issuer of the security, and their values may decline substantially if the issuer's creditworthiness deteriorates. Indexed securities may be more volatile than the underlying instruments.

REPURCHASE AGREEMENTS. In a repurchase agreement, a fund purchases a security and simultaneously commits to resell that security to the seller at an agreed-upon price on an agreed-upon date within a number of days from the date of purchase. The resale price reflects the purchase price plus an agreed-upon incremental amount which is unrelated to the coupon rate or maturity of the purchased security. A repurchase agreement is a taxable obligation which involves the obligation of the seller to pay the agreed-upon price, which obligation is in effect secured by the value (at least equal to the amount of the agreed-upon resale price and marked to market daily) of the underlying security. Each fund may engage in repurchase agreements with respect to any security in which it is authorized to invest even if, with respect to the money market fund, the underlying security matures in more than 397 days. While it does not presently appear possible to eliminate all risks from these transactions (particularly the possibility of a decline in the market value of the underlying securities, as well as delays and costs to the funds in connection with bankruptcy proceedings), it is each fund's current policy to limit repurchase agreement transactions to parties whose creditworthiness has been reviewed and found satisfactory by FMR.

REVERSE REPURCHASE AGREEMENTS. In a reverse repurchase agreement, a fund sells a portfolio instrument to another party, such as a bank or broker-dealer, in return for cash and agrees to repurchase the instrument at a particular price and time. While a reverse repurchase agreement is outstanding, the fund will maintain appropriate liquid assets in a segregated custodial account to cover its obligation under the agreement. The fund will enter into reverse repurchase agreements only with parties whose creditworthiness has been found satisfactory by FMR. Such transactions may increase fluctuations in the market value of a fund's assets and may be viewed as a form of leverage.

ILLIQUID INVESTMENTS are investments that cannot be sold or disposed of in the ordinary course of business at approximately the prices at which they are valued. Under the supervision of the Board of Trustees, FMR determines the liquidity of each fund's investments and, through reports from FMR, the Board monitors investments in illiquid instruments. In determining the liquidity of the funds' investments, FMR may consider various factors, including (1) the frequency of trades and quotations, (2) the number of dealers and prospective purchasers in the marketplace, (3) dealer undertakings to make a market, (4) the nature of the security (including any demand or tender features), and (5) the nature of the marketplace for trades (including the ability to assign or offset the fund's rights and obligations relating to the investment). Investments currently considered by the money market fund to be illiquid include restricted securities and municipal lease obligations determined by FMR to be illiquid. Investments currently considered by the high yield fund to be illiquid include over-the-counter options. Also, FMR may determine some restricted securities and municipal lease obligations to be illiquid. However, with respect to over-the-counter options the high yield fund writes, all or a portion of the value of the underlying instrument may be illiquid depending on the assets held to cover the option and the nature and terms of any agreement the fund may have to close out the option before expiration. In the absence of market quotations, illiquid investments for the money market fund are valued for purposes of monitoring amortized cost valuation and for the high yield fund priced at fair value as determined in good faith by a committee appointed by the Board of Trustees. If through a change in values, net assets, or other circumstances, a fund were in a position where more than 10% of its net assets were invested in illiquid securities, it would seek to take appropriate steps to protect liquidity.

RESTRICTED SECURITIES generally can be sold in privately negotiated transactions, pursuant to an exemption from registration under the

Securities Act of 1933, or in a registered public offering. Where registration is required, a fund may be obligated to pay all or part of the registration expense and a considerable period may elapse between the time it decides to seek registration and the time the fund may be permitted to sell a security under an effective registration statement. If, during such a period, adverse market conditions were to develop, a fund might obtain a less favorable price than prevailed when it decided to seek registration of the security. However, in general, the money market fund anticipates holding restricted securities to maturity or selling them in an exempt transaction.

INTERFUND BORROWING PROGRAM. The fund has received permission from the SEC to lend money to and borrow money from other funds advised by FMR or its affiliates. Interfund loans and borrowings normally will extend overnight, but can have a maximum duration of seven days. Loans may be called on one day's notice. The fund will lend through the program only when the returns are higher than those available at the same time from other short-term instruments (such as repurchase agreements), and will borrow through the program only when the costs are equal to or lower than the cost of bank loans. The fund may have to borrow from a bank at a higher interest rate if an interfund loan is called or not renewed. Any delay in repayment to a lending fund could result in a lost investment opportunity or additional borrowing costs.

LOWER-RATED MUNICIPAL SECURITIES. The high yield fund may invest a portion of its assets in lower-rated municipal securities as described in the Prospectus.

While the market for Connecticut municipals is considered to be adequate, adverse publicity and changing investor perceptions may affect the ability of outside pricing services used by the fund to value its portfolio securities, and the fund's ability to dispose of lower-rated bonds. The outside pricing services are consistently monitored to assure that securities are valued by a method that the Board believes accurately reflects fair value. The impact of changing investor perceptions may be especially pronounced in markets where municipal securities are thinly traded.

The fund may choose, at its expense or in conjunction with others, to pursue litigation or otherwise exercise its rights as a security holder to seek to protect the interests of security holders if it determines this to be in the best interest of the fund's shareholders.

LIMITATIONS ON FUTURES AND OPTIONS TRANSACTIONS (HIGH YIELD FUND ONLY) . The fund has filed a notice of eligibility for exclusion from the definition of the term "commodity pool operator" with the Commodity Futures Trading Commission (CFTC) and the National Futures Association, which regulate trading in the futures markets. The fund intends to comply with Section 4.5 of regulations under the Commodity Exchange Act, which limits the extent to which the fund can commit assets to initial margin deposits and option premiums.

In addition, the fund will not: (a) sell futures contracts, purchase put options, or write call options if, as a result, more than 25% of the fund's total assets would be hedged with futures and options under normal conditions; (b) purchase futures contracts or write put options if, as a result, the fund's total obligations upon settlement or exercise of purchased futures contracts and written put options would exceed 25% of its total assets; or (c) purchase call options if, as a result, the current value of option premiums for call options purchased by the fund would exceed 5% of the fund's total assets. These limitations do not apply to options attached to or acquired or traded together with their underlying securities, and do not apply to securities that incorporate features similar to options.

The above limitations on the fund's investments in futures contracts and options, and the fund's policies regarding futures contracts and options discussed elsewhere in this Statement of Additional Information may be changed as regulatory agencies permit.

FUTURES CONTRACTS. When the fund purchases a futures contract, it agrees to purchase a specified underlying instrument at a specified future date. When the fund sells a futures contract, it agrees to sell the underlying instrument at a specified future date. The price at which the purchase and sale will take place is fixed when the fund enters into the contract. Some currently available futures contracts are based on specific securities, such as U.S. Treasury bonds or notes, and some are based on indices of securities prices, such as the Bond Buyer Municipal Bond Index. Futures can be held until their delivery dates, or can be closed out before then if a liquid secondary market is available.

The value of a futures contract tends to increase and decrease in tandem with the value of its underlying instrument. Therefore, purchasing futures contracts will tend to increase the fund's exposure to positive and negative price fluctuations in the underlying instrument, much as if it had purchased the underlying instrument directly. When the fund sells a futures contract, by contrast, the value of its futures position will tend to move in a direction contrary to the market. Selling futures contracts, therefore, will tend to offset both positive and negative market price changes, much as if the underlying instrument had been sold.

FUTURES MARGIN PAYMENTS. The purchaser or seller of a futures contract is not required to deliver or pay for the underlying instrument unless the contract is held until the delivery date. However, both the purchaser and seller are required to deposit "initial margin" with a futures broker, known as a futures commission merchant (FCM), when the contract is entered into. Initial margin deposits are typically equal to a percentage of the contract's value. If the value of either party's position declines, that party will be required to make additional "variation margin" payments to settle the change in value on a daily basis. The party that has a gain may be entitled to receive all or a portion of this amount. Initial and variation margin payments do not constitute purchasing securities on margin for purposes of the fund's investment limitations. In the event of the bankruptcy of an FCM that holds margin on behalf of the fund, the fund may be entitled to return of margin owed to it only in proportion to the amount received by the FCM's other customers, potentially resulting in losses to the fund.

PURCHASING PUT AND CALL OPTIONS. By purchasing a put option, the fund obtains the right (but not the obligation) to sell the option's underlying instrument at a fixed strike price. In return for this right, the fund pays the current market price for the option (known as the option premium). Options have various types of underlying instruments, including specific securities, indices of securities prices, and futures contracts. The fund may terminate its position in a put option it has purchased by allowing it to expire or by exercising the option. If the option is allowed to expire, the fund will lose the entire premium it paid. If the fund exercises the option, it completes the sale of the underlying instrument at the strike price. The fund may also terminate a put option position by closing it out in the secondary market at its current price, if a liquid secondary market exists.

The buyer of a typical put option can expect to realize a gain if security prices fall substantially. However, if the underlying instrument's price does not fall enough to offset the cost of purchasing the option, a put buyer can expect to suffer a loss (limited to the amount of the premium paid, plus related transaction costs).

The features of call options are essentially the same as those of put options, except that the purchaser of a call option obtains the right to purchase, rather than sell, the underlying instrument at the option's strike price. A call buyer typically attempts to participate in potential price increases of the underlying instrument with risk limited to the cost of the option if security prices fall. At the same time, the buyer can expect to suffer a loss if security prices do not rise sufficiently to offset the cost of the option.

WRITING PUT AND CALL OPTIONS. When the fund writes a put option, it takes the opposite side of the transaction from the option's purchaser. In return for receipt of the premium, the fund assumes the obligation to pay the strike price for the option's underlying instrument if the other party to the option chooses to exercise it. When writing an option on a futures contract the fund will be required to make margin payments to an FCM as described above for futures contracts. The fund may seek to terminate its position in a put option it writes before exercise by closing out the option in the secondary market at its current price. If the secondary market is not liquid for a put option the fund has written, however, the fund must continue to be prepared to pay the strike price while the option is outstanding, regardless of price changes, and must continue to set aside assets to cover its position.

If security prices rise, a put writer would generally expect to profit, although its gain would be limited to the amount of the premium it received. If security prices remain the same over time, it is likely that the writer will also profit, because it should be able to close out the option at a lower price. If security prices fall, the put writer would expect to suffer a loss. This loss should be less than the loss from purchasing the underlying instrument directly, however, because the premium received for writing the option should mitigate the effects of the decline.

Writing a call option obligates the fund to sell or deliver the option's underlying instrument, in return for the strike price, upon exercise of the option. The characteristics of writing call options are similar to those of writing put options, except that writing calls generally is a profitable strategy if prices remain the same or fall. Through receipt of the option premium, a call writer mitigates the effects of a price decline. At the same time, because a call writer must be prepared to deliver the underlying instrument in return for the strike price, even if its current value is greater, a call writer gives up some ability to participate in security price increases.

COMBINED POSITIONS. The fund may purchase and write options in combination with each other, or in combination with futures or forward contracts, to adjust the risk and return characteristics of the overall position. For example, the fund may purchase a put option and write a call option on the same underlying instrument, in order to construct a combined position whose risk and return characteristics are similar to selling a futures contract. Another possible combined position would involve writing a call option at one strike price and buying a call option at a lower price, in order to reduce the risk of the written call option in the event of a substantial price increase. Because combined options positions involve multiple trades, they result in higher transaction costs and may be more difficult to open and close out.

CORRELATION OF PRICE CHANGES. Because there are a limited number of types of exchange-traded options and futures contracts, it is likely that the standardized contracts available will not match the fund's current or anticipated investments exactly. The fund may invest in options and futures contracts based on securities with different issuers, maturities, or other characteristics from the securities in which it typically invests, which involves a risk that the options or futures position will not track the performance of the fund's other investments.

Options and futures prices can also diverge from the prices of their underlying instruments, even if the underlying instruments match the fund's investments well. Options and futures prices are affected by such factors as current and anticipated short-term interest rates, changes in volatility of the underlying instrument, and the time remaining until expiration of the contract, which may not affect security prices the same way. Imperfect correlation may also result from differing levels of demand in the options and futures markets and the securities markets, from structural differences in how options and futures and securities are traded, or from imposition of daily price fluctuation limits or trading halts. The fund may purchase or sell options and futures contracts with a greater or lesser value than the securities it wishes to hedge or intends to purchase in order to attempt to compensate for differences in volatility between the contract and the securities, although this may not be successful in all cases. If price changes in the fund's options or futures positions are poorly correlated with its other investments, the positions may fail to produce anticipated gains or result in losses that are not offset by gains in other investments.

LIQUIDITY OF OPTIONS AND FUTURES CONTRACTS. There is no assurance a liquid secondary market will exist for any particular options or futures contract at any particular time. Options may have relatively low trading volume and liquidity if their strike prices are not close to the underlying instrument's current price. In addition, exchanges may establish daily price fluctuation limits for options and futures contracts, and may halt trading if a contract's price moves upward or downward more than the limit in a given day. On volatile trading days when the price fluctuation limit is reached or a trading halt is imposed, it may be impossible for the fund to enter into new positions or close out existing positions. If the secondary market for a contract is not liquid because of price fluctuation limits or otherwise, it could prevent prompt liquidation of unfavorable positions, and potentially could require the fund to continue to hold a position until delivery or expiration regardless of changes in its value. As a result, the fund's access to other assets held to cover its options or futures positions could also be impaired.

OTC OPTIONS. Unlike exchange-traded options, which are standardized with respect to the underlying instrument, expiration date, contract size, and strike price, the terms of over-the-counter options (options not traded on exchanges) generally are established through negotiation with the other party to the option contract. While this type of arrangement allows the fund greater flexibility to tailor an option to its needs, OTC options generally involve greater credit risk than exchange-traded options, which are guaranteed by the clearing organization of the exchanges where they are traded.

ASSET COVERAGE FOR FUTURES AND OPTIONS POSITIONS. The fund will comply with guidelines established by the Securities and Exchange Commission with respect to coverage of options and futures strategies by mutual funds, and if the guidelines so require will set aside appropriate liquid assets in a segregated custodial account in the amount prescribed. Securities held in a segregated account cannot be sold while the futures or option strategy is outstanding, unless they are replaced with other suitable assets. As a result, there is a possibility that segregation of a large percentage of the fund's assets could impede portfolio management or the fund's ability to meet redemption requests or other current obligations.

HEALTH CARE INDUSTRY. The health care industry is subject to regulatory action by a number of private and governmental agencies, including federal, state, and local governmental agencies. A major source of revenues for the health care industry is payments from the Medicare and Medicaid programs. As a result, the industry is sensitive to legislative changes and reductions in governmental spending for such programs. Numerous other factors may affect the industry, such as general and local economic conditions; demand for services; expenses (including malpractice insurance premiums); and competition among health care providers. In the future, the following elements may adversely affect health care facility operations: adoption of legislation proposing a national health insurance program; medical and technological advances which dramatically alter the need for health services or the way in which such services are delivered; and efforts by employers, insurers, and governmental agencies to reduce the costs of health insurance and health care services.

HOUSING. Housing revenue bonds are generally issued by a state, county, city, local housing authority, or other public agency. They are secured by the revenues derived from mortgages purchased with the proceeds of the bond issue. It is extremely difficult to predict the supply of available mortgages to be purchased with the proceeds of an issue or the future cash flow from the underlying mortgages. Consequently, there are risks that proceeds will exceed supply, resulting in early retirement of bonds, or that homeowner repayments will create an irregular cash flow.

Many factors may affect the financing of multi-family housing projects, including acceptable completion of construction, proper management, occupancy and rent levels, economic conditions, and changes to current laws and regulations.

SPECIAL FACTORS AFFECTING CONNECTICUT

The following only highlights some of the more significant financial trends and problems, and is based on information drawn from official statements and prospectuses relating to securities offerings of the State of Connecticut, its agencies and instrumentalities, as available on the date of this Statement of Additional Information. FMR has not independently verified any of the information contained in such official statements and other publicly available documents, but is not aware of any fact which would render such information inaccurate.

Manufacturing has historically been Connecticut's single most important economic activity. The State's manufacturing industry is diversified, but from 1970 to 1992 manufacturing employment declined 30.8%. During this period, employment in other non-agricultural establishments (including government) increased 60.8%, particularly in the service, trade, and finance categories. In 1992, manufacturing accounted for only 20.1% of total nonagricultural employment in Connecticut. Defense-related business plays an important role in the Connecticut economy, and economic activity has been affected by the volume of defense contracts awarded to Connecticut firms. On a per capita basis, defense awards in Connecticut have traditionally been among the highest in the nation, but reductions in defense spending have had a substantial adverse impact on Connecticut's economy, and the state's largest defense contractors have announced substantial labor force reductions to occur over the next four years.

The annual average unemployment rate (seasonally adjusted) in Connecticut decreased from 6.9% in 1982 to a low of 3.0% in 1988, but it reached 7.4% as of May 1993. Pockets of more significant unemployment and poverty exist in some of Connecticut's cities and towns, the economic conditions of which are causing them severe financial problems, resulting in some cases in the reporting of operating and accumulated deficits. Connecticut is in a recession the depth and duration of which are uncertain.

While the State's General Fund ended fiscal 1984-85, 1985-86 and 1986-87 with operating surpluses of approximately $365,500,000, $250,100,000 and $365,200,000, respectively, the State recorded operating deficits in its General Fund for fiscal 1987-88, 1988-89, 1989-90, and 1990-91 alone of $115,600,000, $28,000,000, $259,000,000, and $809,000,000, respectively. In the fall of 1991, the State issued $965,712,000 of Economic Recovery Notes to help fund its accumulated General Fund deficit. Largely as a result of the enactment in 1991 of a general income tax on resident and non-resident individuals, trusts, and estates the State's General Fund ended fiscal 1991-92 and 1992-93 with an operating surplus of $110,000,000 and $113,500,000, respectively.

The state's two major revenue raising taxes have been the sales and use taxes and the corporation business tax, each of which is sensitive to changes in the level of economic activity in the State, but the Connecticut income tax on individuals, trusts, and estates is expected to supersede each of them in importance. Motor fuel taxes and other transportation-related taxes are paid into a Special Transportation Fund while all other tax revenues are carried in the General Fund.

The repair and maintenance of the State's highways and bridges will require major expenditures in the near term. The State has adopted legislation that provides for, among other things, the issuance of special tax obligation bonds, the proceeds of which will be used to pay for improvements to the State's transportation system. The bonds are payable solely from motor vehicle and other transportation-related taxes and fees deposited in the Special Transportation Fund. However, the amount of revenues is dependent on the occurrence of future events, including a possible rise in fuel prices, and may thus differ materially from projected amounts. The cost of this infrastructure program, to be met from federal, State and local funds, is currently estimated at $9.5 billion. The State expects to issue $3.7 billion of special tax obligation bonds over a ten-year period commenced July 1, 1984 to finance a major portion of the State's share of such cost.

The State's budget problems led to ratings of its general obligation bonds being lowered early in 1990, from Aa1 to Aa by Moody's Investors Service, Inc., and from AA+ to AA by Standard & Poor's Corporation. Because of concern over Connecticut's lack of a plan to deal with accumulated projected deficits in its General Fund, on September 13, 1991, Standard & Poor's further lowered its ratings of the State's general obligation bonds and certain other obligations that depend in part on the creditworthiness of the State to AA-. State and regional economic difficulties, reductions in revenues, and increased expenses could lead to further fiscal problems for the State and its political subdivisions, authorities, and agencies. This could result in declines in the value of their outstanding obligations, increases in their future borrowing costs, and impairment of their ability to pay debt service on their obligations.

SPECIAL FACTORS AFFECTING PUERTO RICO

The following only highlights some of the more significant financial trends and problems affecting the Commonwealth of Puerto Rico (the "Commonwealth" or "Puerto Rico"), and is based on information drawn from official statements and prospectuses relating to the securities offerings of Puerto Rico, its agencies and instrumentalities, as available on the date of this Statement of Additional Information. FMR has not independently verified any of the information contained in such official statements, prospectuses and other publicly available documents, but is not aware of any fact which would render such information materially inaccurate.

The economy of Puerto Rico is closely linked with that of the United States, and in fiscal 1992 trade with the United States accounted for approximately 88% of Puerto Rico's exports and approximately 68% of its imports. In this regard, in fiscal 1992 Puerto Rico experienced a $2,940,300,000 positive adjusted merchandise trade balance. Since fiscal 1987 personal income, both aggregate and per capita, have increased consistently each fiscal year. In fiscal 1992 aggregate personal income was $22.7 billion and personal per capita income was $6,360. Gross domestic product in fiscal 1989, 1990, 1991 and 1992 was $19,954,000, $21,619,000, 22,857,000, and $23,620,000 respectively. For fiscal 1993, an increase in gross domestic product of 2.9% over fiscal 1992 is forecasted. However, actual growth in the Puerto Rico economy will depend on several factors including the condition of the U.S. economy, the exchange rate for the U.S. dollar, the price stability of oil imports, and interest rates. Due to these factors there is no assurance that the economy of Puerto Rico will continue to grow.

Puerto Rico has made marked improvements in fighting unemployment. Unemployment is at a low level compared to that of the late 1970s, but it still remains significantly above the United States average. Despite long term improvements the unemployment rate rose from 15.2% to 16.5% from fiscal 1991 to fiscal 1992. At the end of the third quarter of fiscal 1993 the unemployment rate in Puerto Rico stood at 17.3%. There is a possibility that the unemployment rate will continue to increase.

The economy of Puerto Rico has undergone a transformation in the later half of this century from one centered around agriculture, to one dominated by the manufacturing and service industries. Manufacturing is the cornerstone of Puerto Rico's economy, accounting for $13.2 billion or 38.7% of gross domestic product in 1992. However, manufacturing has experienced a basic change over the years as a result of the influx of higher wage, high technology industries such as the pharmaceutical industry, electronics, computers, micro-processors, scientific instruments and high technology machinery. The service sector, which includes wholesale and retail trade, finance and real estate, ranks second in its contribution to gross domestic product and is the sector that employs the greatest number of people. In fiscal 1992, the service sector generated $13.0 billion in gross domestic product or 38.3% of the total and employed over 449,000 workers providing 46% of total employment. The government sector and tourism also contribute to the island economy each accounting for $3.7 billion and $1.5 billion in fiscal 1992, respectively.

Much of the development of the manufacturing sector of the economy of Puerto Rico is attributable to federal and Commonwealth tax incentives, most notably section 936 of the Internal Revenue Code of 1986, as amended ("Section 936") and the Commonwealth's Industrial Incentives Program. Section 936 currently grants U.S. corporations that meet certain criteria and elect its application a credit against their U.S. corporate income tax on the portion of the tax attributable to (i) income derived from the active conduct of a trade or business in Puerto Rico ("active income"), or from the sale or exchange of substantially all the assets used in the active conduct of such trade or business, and (ii) qualified possession source investment income ("passive income"). The Industrial Incentives Program, through the 1987 Industrial Incentives Act, grants corporations engaged in certain qualified activities a fixed 90% exemption from Commonwealth income and property taxes and a 60% exemption from municipal license taxes.

On August 16, 1993, President Clinton signed a bill amending Section 936. Under the amendments, U.S. corporations with operations in Puerto Rico can elect to receive a federal income tax credit equal to: 40% of the credit currently available, phased in over a five year period, starting at 60% of the current credit, or a credit based on investment and wages. The investment and wage credit would equal the sum of (i) 60% of qualified compensation to employees, (ii) a specified percentage of depreciation deductions with respect to tangible property located in Puerto Rico, and (iii) a portion of income taxed paid to Puerto Rico, up to a 9% effective tax rate, subject to certain requirements. It is not possible to determine at this time whether the reductions in tax incentives for operations in Puerto Rico will have a significant impact on the economy of Puerto Rico or the time period in which such impact would arise.

PORTFOLIO TRANSACTIONS

All orders for the purchase or sale of portfolio securities are placed on behalf of each fund by FMR (either directly or through affiliated sub-advisers) pursuant to authority contained in the management contracts. FMR is also responsible for the placement of transaction orders for other investment companies and accounts for which it or its affiliates act as investment adviser. Securities purchased and sold by the money market fund generally will be traded on a net basis (i.e., without commission). In selecting broker-dealers, subject to applicable limitations of the federal securities laws, FMR will consider various relevant factors including, but not limited to, the size and type of the transaction; the nature and character of the markets for the security to be purchased or sold; the execution efficiency, settlement capability, and financial condition of the broker-dealer firm; the broker-dealer's execution services rendered on a continuing basis; and the reasonableness of any commissions.

The funds may execute portfolio transactions with broker-dealers who provide research and execution services to the funds or other accounts over which FMR or its affiliates exercise investment discretion. Such services may include advice concerning the value of securities; the advisability of investing in, purchasing, or selling securities; the availability of securities or the purchasers or sellers of securities; furnishing analyses and reports concerning issuers, industries, securities, economic factors and trends, portfolio strategy, and performance of accounts; and effecting securities transactions and performing functions incidental thereto (such as clearance and settlement). FMR maintains a listing of broker-dealers who provide such services on a regular basis. However, as many transactions on behalf of the money market fund are placed with broker-dealers (including broker-dealers on the list) without regard to the furnishing of such services, it is not possible to estimate the proportion of such transactions directed to such broker-dealers solely because such services were provided. The selection of such broker-dealers generally is made by FMR (to the extent possible, consistent with execution considerations), based upon the quality of research and execution services provided.

The receipt of research from broker-dealers that execute transactions on behalf of the funds may be useful to FMR in rendering investment management services to the funds or its other clients and, conversely, such research provided by broker-dealers who have executed transaction orders on behalf of other FMR clients may be useful to FMR in carrying out its obligations to the funds. The receipt of such research has not reduced FMR's normal independent research activities; however, it enables FMR to avoid additional expenses that could be incurred if FMR tried to develop comparable information through its own efforts.

Subject to applicable limitations of the federal securities laws, broker-dealers may receive commissions for agency transactions that are in excess of the amount of commissions charged by other broker-dealers in recognition of their research and execution services. In order to cause the funds to pay such higher commissions, FMR must determine in good faith that such commissions are reasonable in relation to the value of the brokerage and research services provided by such executing broker-dealers, viewed in terms of a particular transaction or FMR's overall responsibilities to the funds and its other clients. In reaching this determination, FMR will not attempt to place a specific dollar value on the brokerage and research services provided, or to determine what portion of the compensation should be related to those services.

FMR is authorized to use research services provided by and to place portfolio transactions with brokerage firms that have provided assistance in the distribution of shares of the funds or shares of other Fidelity funds to the extent permitted by law. FMR may use research services provided by and place agency transactions with Fidelity Brokerage Services, Inc. (FBSI), a subsidiary of FMR Corp., if the commissions are fair, reasonable, and comparable to commissions charged by non-affiliated, qualified brokerage firms for similar services.

Section 11(a) of the Securities Exchange Act of 1934 prohibits members of national securities exchanges from executing exchange transactions for accounts which they or their affiliates manage, except in accordance with regulations of the Securities and Exchange Commission. Pursuant to such regulations, the Board of Trustees has approved a written agreement that permits FBSI to effect portfolio transactions on national securities exchanges and to retain compensation in connection with such transactions. For the fiscal years ended November 30, 1993, 1992, and 1991, the funds paid no brokerage commissions .

The Trustees periodically review FMR's performance of its responsibilities in connection with the placement of portfolio transactions on behalf of each fund and review the commissions paid by each fund over representative periods of time to determine if they are reasonable in relation to the benefits to each fund.

The high yield fund's turnover rates for fiscal 1993 and 1992 were 45 % and 11%, respectively.

From time to time the Trustees will review whether the recapture for the benefit of the funds of some portion of the brokerage commissions or similar fees paid by the funds on portfolio transactions is legally permissible and advisable. Each fund seeks to recapture soliciting broker-dealer fees on the tender of portfolio securities, but at present no other recapture arrangements are in effect. The Trustees intend to continue to review whether recapture opportunities are available and are legally permissible and, if so, to determine in the exercise of their business judgment whether it would be advisable for each fund to seek such recapture.

Although the Trustees and officers of the funds are substantially the same as those of other funds managed by FMR, investment decisions for each fund are made independently from those of other funds managed by FMR or accounts managed by FMR affiliates. It sometimes happens that the same security is held in the portfolio of more than one of these funds or accounts. Simultaneous transactions are inevitable when several funds are managed by the same investment adviser, particularly when the same security is suitable for the investment objective of more than one fund.

When two or more funds are simultaneously engaged in the purchase or sale of the same security, the prices and amounts are allocated in accordance with a formula considered by the officers of the funds involved to be equitable to each fund. In some cases, this system could have a detrimental effect on the price or value of the security as far as the funds are concerned. In other cases, however, the ability of the funds to participate in volume transactions will produce better executions and prices for the funds. It is the current opinion of the Trustees that the desirability of retaining FMR as investment adviser to the funds outweighs any disadvantages that may be said to exist from exposure to simultaneous transactions.

VALUATION OF PORTFOLIO SECURITIES

HIGH YIELD FUND. Valuations of portfolio securities furnished by the pricing service employed by the fund are based upon a computerized matrix system or appraisals by the pricing service, in each case in reliance upon information concerning market transactions and quotations from recognized municipal securities dealers. The methods used by the pricing service and the quality of valuations so established are reviewed by officers of the fund and FSC under the general supervision of the Board of Trustees. There are a number of pricing services available, and the Trustees, or officers acting on behalf of the Trustees, on the basis of on-going evaluation of these services, may use other pricing services or discontinue the use of any pricing service in whole or in part. Futures contracts and options are valued on the basis of market quotations if available.

MONEY MARKET FUND. The fund values its investments on the basis of amortized cost. This technique involves valuing an instrument at its cost as adjusted for amortization of premium or accretion of discount rather than its value based on current market quotations or appropriate substitutes which reflect current market conditions. The amortized cost value of an instrument may be higher or lower than the price the fund would receive if it sold the instrument.

Valuing the fund's instruments on the basis of amortized cost and use of the term "money market fund" are permitted by Rule 2a-7 under the Investment Company Act of 1940. The fund must adhere to certain conditions under Rule 2a-7.

The Board of Trustees of the trust oversees FMR's adherence to SEC rules concerning money market funds, and has established procedures designed to stabilize the fund's NAV at $1.00. At such intervals as they deem appropriate, the Trustees consider the extent to which NAV calculated by using market valuations would deviate from $1.00 per share. If the Trustees believe that a deviation from the fund's amortized cost per share may result in material dilution or other unfair results to shareholders, the Trustees have agreed to take such corrective action, if any, as they deem appropriate to eliminate or reduce, to the extent reasonably practicable, the dilution or unfair results. Such corrective action could include selling portfolio instruments prior to maturity to realize capital gains or losses or to shorten average portfolio maturity; withholding dividends; redeeming shares in kind; establishing NAV by using available market quotations; and such other measures as the Trustees may deem appropriate.

During periods of declining interest rates, the fund's yield based on amortized cost may be higher than the yield based on market valuations. Under these circumstances, a shareholder in the fund would be able to obtain a somewhat higher yield than would result if the fund utilized market valuations to determine its NAV. The converse would apply in a period of rising interest rates.

PERFORMANCE

The funds may quote performance in various ways. All performance information supplied by the funds in advertising is historical and is not intended to indicate future returns. The high yield fund's share price, and both of the funds' yields and total returns fluctuate in response to market conditions and other factors. The value of high yield fund shares when redeemed may be more or less than their original cost.

YIELD CALCULATIONS. To compute the MONEY MARKET FUND'S yield for a period, the net change in value of a hypothetical account containing one share reflects the value of additional shares purchased with dividends from the one original share and dividends declared on both the original share and any additional shares. The net change is then divided by the value of the account at the beginning of the period to obtain a base period return. This base period return is annualized to obtain a current annualized yield. The money market fund also may calculate a compound effective yield by compounding the base period return over a one-year period. In addition to the current yield, the money market fund may quote yields in advertising based on any historical seven-day period. Yields for the money market fund are calculated on the same basis as other money market funds, as required by regulation.

For the HIGH YIELD FUND, yields used in advertising are computed by dividing the fund's interest income for a given 30-day or one-month period, net of expenses, by the average number of shares entitled to receive dividends during the period, dividing this figure by the fund's net asset value per share at the end of the period, and annualizing the result (assuming compounding of income) in order to arrive at an annual percentage rate. Yields do not reflect the fund's .50% redemption fee, which applies to shares held less than 180 days. Income is calculated for purposes of the high yield fund's yield quotations in accordance with standardized methods applicable to all stock and bond funds. In general, interest income is reduced with respect to bonds trading at a premium over their par value by subtracting a portion of the premium from income on a daily basis, and is increased with respect to bonds trading at a discount by adding a portion of the discount to daily income. Capital gains and losses

generally are excluded from the calculation.
Income calculated for the purposes of determining the high yield fund's yield differs from income as determined for other accounting purposes. Because of the different accounting methods used, and because of the compounding of income assumed in yield calculations, the high yield fund's yield may not equal its distribution rate, the income paid to your account, or the income reported in the fund's financial statements.
A fund's tax-equivalent yield is the rate an investor would have to earn from a fully taxable investment after taxes to equal the fund's tax-free yield. Tax-equivalent yields are calculated by dividing a fund's yield by the result of one minus a stated federal or combined federal and state tax rate. (If only a portion of the fund's yield is tax-exempt, only that portion is adjusted in the calculation.)
The tables below and on page 14 show the effect of a shareholder's tax status on effective yield under federal and state income tax laws for 1994. They show the approximate yield a taxable security must provide at various income brackets to produce after-tax yields equivalent to those of hypothetical tax-exempt obligations yielding from 2.0% to 8.0% Of course, no assurance can be given that a fund will achieve any specific tax-exempt yield. While each fund invests principally in obligations whose interest is exempt from federal and state income tax, other income received by the funds may be taxable. The tables do not take into account local taxes, if any, payable on a fund's distributions.
Use this table to find your approximate effective tax bracket taking into account federal and state taxes for 1994.

1994 TAX RATES

<TABLE>
<CAPTION>

Taxable Income Single Return	Taxable Income Joint Return	Federal Income Tax Bracket	Single Return Combined Income Bracket*	Joint Return Combined Income*
$22,751 - $55,100	N.A.	28%	31.24%	N.A.
N.A.	$38,001 - $ 91,850	28%	N.A.	30.92%**
$55,101 - 115,000	$ 91,851 - 140,000	31%	34.11%	34.11%
$115,001 - 250,000	$140,001 - 250,000	36%	38.88%	38.88%
$250,001 and above	$250,001 and above	39.6%	42.32%	42.32%

</TABLE>

* The Connecticut rates assumed for 1994 are the highest effective marginal rates applicable for the indicated federal rate bracket. The table assumes that Connecticut adjusted gross income equals federal taxable income.
** After the automatic credit.
PLEASE NOTE: The 1994 combined tax brackets are based on the assumption that 100% of the fund's income is free from federal and state taxes. In fiscal 1993, 9% of the income from the money market fund and none of the income from the high yield fund were subject to state taxes.
Having determined your effective tax bracket, use the table below to determine the tax-equivalent yield for a given tax-free yield.
If your effective combined federal and state personal tax rate in 1994 is:

<TABLE>
<CAPTION>

To match these tax-free yields:	30.92%	31.24%	34.11%	38.88%	42.32%
	Your taxable investment would have to earn the following yield:				
2.0%	2.90%	2.91%	3.04%	3.27%	3.47%
3.0	4.34	4.36	4.55	4.91	5.20
4.0	5.79	5.82	6.07	6.54	6.93
5.0	7.24	7.27	7.59	8.18	8.67
6.0	8.69	8.73	9.11	9.82	10.40

</TABLE>

7.0	10.13	10.18	10.62	11.45	12.14
8.0	11.58	11.63	12.14	13.09	13.87

Each fund may invest a portion of its assets in obligations that are subject to state or federal income taxes. When a fund invests in these obligations, its tax-equivalent yield will be lower. In the table above, tax-equivalent yields are calculated assuming investments are 100% federally and state tax-free.

Yield information may be useful in reviewing the funds' performance and in providing a basis for comparison with other investment alternatives. However, the funds' yields fluctuate, unlike investments that pay a fixed interest rate over a stated period of time. When comparing investment alternatives, investors should also note the quality and maturity of the portfolio securities of the respective investment companies they have chosen to consider.

Investors should recognize that in periods of declining interest rates the funds' yields will tend to be somewhat higher than prevailing market rates, and in periods of rising interest rates the funds' yields will tend to be somewhat lower. Also, when interest rates are falling, the inflow of net new money to the funds from the continuous sale of their shares will likely be invested in instruments producing lower yields than the balance of the funds' holdings, thereby reducing the fund's current yields. In periods of rising interest rates, the opposite can be expected to occur.

TOTAL RETURN CALCULATIONS. Total returns quoted in advertising reflect all aspects of a fund's returns, including the effect of reinvesting dividends and capital gain distributions (if any), and any change in the fund's net asset value per share (NAV) over the period. Average annual total returns are calculated by determining the growth or decline in value of a hypothetical historical investment in a fund over a stated period, and then calculating the annually compounded percentage rate that would have produced the same result if the rate of growth or decline in value had been constant over the period. For example, a cumulative total return of 100% over ten years would produce an average annual total return of 7.18%, which is the steady annual rate that would equal 100% growth on a compounded basis in ten years. While average annual total returns are a convenient means of comparing investment alternatives, investors should realize that a fund's performance is not constant over time, but changes from year to year, and that average annual total returns represent averaged figures as opposed to the actual year-to-year performance of the funds.

In addition to average annual returns, a fund may quote unaveraged or cumulative total returns reflecting the simple change in value of an investment over a stated period. Average annual and cumulative total returns may be quoted as a percentage or as a dollar amount, and may be calculated for a single investment, a series of investments, or a series of redemptions, over any time period. Total returns may be broken down into their components of income and capital (including capital gains and changes in share price) in order to illustrate the relationship of these factors and their contributions to total return. An example of this type of illustration is given below. Total returns, yields, and other performance information may be quoted numerically or in a table, graph, or similar illustration, and may omit or include the effects of each fund's $5.00 account closeout fee and, with respect to the high yield fund, the .50% redemption fee, or other charges for special transactions or services. Omitting fees and charges will cause the funds' total return figures to be higher.

NET ASSET VALUE (HIGH YIELD FUND ONLY) . Charts and graphs using the fund's net asset values, adjusted net asset values, and benchmark indices may be used to exhibit performance. An adjusted NAV includes any distributions paid by the fund and reflects all elements of its return. Unless otherwise indicated, the fund's adjusted NAVs are not adjusted for sales charges, if any.

HISTORICAL RESULTS. The following table shows the funds' total returns for the periods ended November 30, 1993. Figures for both funds include the effect of the $5.00 account closeout fee and for the high yield fund do not include the effect of the fund's .50% redemption fee, applicable to shares held less than 180 days.

<TABLE>
<CAPTION>

	Average Annual Total Returns			Cumulative Total Returns		
	One Year	Five Years	Life of Fund*	One Year	Five Years	Life of Fund*
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Money Market Fund	2.21 %	n/a	3.01 %	2.21 %	n/a	8.49 %
High Yield Fund	11.81 %	9.63 %	9.67 %	11.81 %	58.34 %	75.53 %

</TABLE>

* The money market fund commenced operations on March 4, 1991 and the high yield fund commenced operations on October 29, 1987.

The money market fund's 7-day yield as of November 30, 1993 was 1.96 %, with a corresponding tax-equivalent yield of 3.19 %. The high yield fund's 30-day yield as of November 30, 1993 was 5.12 %, with a corresponding tax-equivalent yield of 8.38 %. Tax-equivalent yields are based on a 1994 combined effective federal and Connecticut state income tax rate of 38.88 %, and reflect that an estimated 10.1 % of money market fund's income (and none of the high yield fund's income) were subject to state taxes on November 30, 1993 . If FMR had not reimbursed certain fund expenses during the periods, total returns would have been lower. These figures do not reflect the funds' $5 account closeout fees.

The following tables show the income and capital elements of each fund's total return from their respective commencement of operations to November 30, 1993. The tables compare each fund's return to the record of the Standard & Poor's 500 Composite Stock Price Index (S&P 500), the Dow Jones Industrial Average (DJIA), and the cost of living (measured by the Consumer Price Index, or CPI) over the same period. The S&P 500 and DJIA comparisons are provided to show how each fund's total return compared to the return of a broad average of common stocks and a narrower set of stocks of major industrial companies, respectively, over the same period. Of course, since the funds invest in money market and fixed-income securities, common stocks represent a different type of investment from the funds. Common stocks generally offer greater potential growth than the funds, but generally experience greater price volatility, which means a greater potential for loss. In addition, common stocks generally provide lower income than a money market or bond fund investment such as the funds. The S&P 500 and DJIA are based on the prices of unmanaged groups of stocks and, unlike the funds' returns, their returns do not include the effect of paying brokerage commissions or other costs of investing.

MONEY MARKET FUND. During the period March 4, 1991 (commencement of operations) to November 30, 1993, a hypothetical $10,000 investment in the money market fund would have grown to $ 10,849 , assuming all distributions were reinvested. This was a period of fluctuating interest rates and should not be considered representative of the dividend income or capital gain or loss that could be realized from an investment in the fund today.

SPARTAN CONNECTICUT MUNICIPAL MONEY MARKET PORTFOLIO					INDICES		
Year Ended November 30	Value of Initial $10,000 Investment	Value of Reinvested Dividends Distributions	Value of Reinvested Capital Gain Distributions	Total Value	S&P 500	DJIA	Cost of Living**
1993	$10,000	$ 849	$0	$ 10,849	$ 13,534	$ 13,752	$10,816
1992	10,000	614	0	10,614	12,292	11,986	10,534
1991*	10,000	297	0	10,297	10,373	10,192	10,223

* From March 4, 1991 (commencement of operations).

** From month-end closest to initial investment date.

Explanatory Notes: With an initial investment of $10,000 made on March 4, 1991, the net amount invested in fund shares was $10,000. The cost of the initial investment ($10,000), together with the aggregate cost of reinvested dividends for the period covered (their cash value at the time they were reinvested), amounted to $ 10,849 . If distributions had not been reinvested, the amount of distributions earned from the fund over time would have been smaller, and cash payments (dividends) for the period would have amounted to $ 816 . The fund did not distribute any capital gains during the period. If FMR had not reimbursed certain expenses, the fund's total returns would have been lower. The figures in the table do not include the effect of the fund's $5 account closeout fee.

HIGH YIELD FUND. During the period October 29, 1987 (commencement of operations) to November 30, 1993, a hypothetical $10,000 investment in the fund would have grown to $ 17,553 assuming all distributions were reinvested. This was a period of widely fluctuating interest rates and bond prices, and should not be considered representative of the dividend income or capital gain or loss that could be realized from an investment in the fund today.

SPARTAN CONNECTICUT MUNICIPAL HIGH YIELD PORTFOLIO INDICES

<TABLE>
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Year Ended November 30	Value of Initial $10,000 Investment	Value of Reinvested Dividends Distributions	Value of Reinvested Capital Gain Distributions	Total Value	S&P 500	DJIA	Cost of Living**
1993	$ 11,840	$ 5,633	$ 80	$ 17,553	$ 24,229	$ 24,540	$ 12,645
1992	11,220	4,403	76	15,699	22,006	21,389	12,316
1991	10,880	3,355	73	14,308	18,570	18,188	11,951
1990	10,730	2,443	23	13,196	15,430	15,550	11,605
1989	10,730	1,615	0	12,345	15,987	15,815	10,919
1988	10,300	786	0	11,086	12,218	11,907	10,434
1987*	10,030	56	0	10,086	9,907	9,962	10,009

</TABLE>

* From October 29, 1987 (commencement of operations).
** From month-end closest to initial investment date.

Explanatory Notes: With an initial investment of $10,000 made on October 29, 1987, the net amount invested in fund shares was $10,000. The cost of the initial investment ($10,000), together with the aggregate cost of reinvested dividends for the period covered (their cash value at the time they were reinvested), amounted to $ 15,231 . If distributions had not been reinvested, the amount of distributions earned from the fund over time would have been smaller, and the cash payments for the period would have amounted to $ 4,200 for income dividends and $ 60 for capital gain distributions. If FMR had not reimbursed certain fund expenses, the fund's total returns would have been lower. The figures in the table do not include the effect of the fund's $5 account closeout fee, or the .50% redemption fee applicable to shares held less than 180 days.

The funds may compare and contrast in advertising the relative advantages of investing in a mutual fund versus an individual municipal bond. Unlike tax-free mutual funds, individual municipal bonds offer a stated rate of interest and, if held to maturity, repayment of principal. Although some individual municipal bonds might offer a higher return, they do not offer the reduced risk of a mutual fund that invests in many different securities. The initial investment requirements and sales charges of many tax-free mutual funds are lower than the purchase cost of individual municipal bonds, which are generally issued in $5,000 denominations and are subject to direct brokerage costs.

In addition, the high yield fund's performance may be compared in advertising to the performance of unmanaged indices of municipal bond prices and yields and to representative individual municipal securities and

unit investment trusts comprised of municipal securities.
A fund's performance may be compared to the performance of other mutual funds in general, or to the performance of particular types of mutual funds. These comparisons may be expressed as mutual fund rankings prepared by Lipper Analytical Services, Inc. (Lipper), an independent service located in Summit, New Jersey that monitors the performance of mutual funds. Lipper generally ranks funds on the basis of total return, assuming reinvestment of distributions, but does not take sales charges or redemption fees into consideration, and is prepared without regard to tax consequences. Lipper may also rank funds based on yield. In addition to the mutual fund rankings, a fund's performance may be compared to mutual fund performance indices prepared by Lipper.
From time to time, a fund's performance may also be compared to other mutual funds tracked by financial or business publications and periodicals. For example, the fund may quote Morningstar, Inc. in its advertising materials. Morningstar, Inc. is a mutual fund rating service that rates mutual funds on the basis of risk-adjusted performance. Rankings that compare the performance of Fidelity funds to one another in appropriate categories over specific periods of time may also be quoted in advertising.
Fidelity may provide information designed to help individuals understand their investment goals and explore various financial strategies. For example, Fidelity's FundMatchsm Program includes a workbook describing general principles of investing, such as asset allocation, diversification, risk tolerance, and goal setting; a questionnaire designed to help create a personal financial profile; and an action plan offering investment alternatives. Materials may also include discussions of Fidelity's three asset allocation funds and other Fidelity funds, products and services .
Ibbotson Associates of Chicago, Illinois (Ibbotson) provides historical returns of the capital markets in the United States, including common stocks, small capitalization stocks, long-term corporate bonds, intermediate-term government bonds, long-term government bonds, Treasury bills, the U.S. rate of inflation (based on the CPI), and combinations of various capital markets. The performance of these capital markets is based on the returns of different indices.
Fidelity funds may use the performance of these capital markets in order to demonstrate general risk-versus-reward investment scenarios. Performance comparisons may also include the value of a hypothetical investment in any of these capital markets. The risks associated with the security types in any capital market may or may not correspond directly to those of the funds. Ibbotson calculates total returns in the same method as the funds. The funds may also compare performance to that of other compilations or indices that may be developed and made available in the future.
Each fund may compare its performance or the performance of securities in which it may invest to averages published by IBC USA (Publications), Inc. of Ashland, Massachusetts. These averages assume reinvestment of distributions. The IBC/Donoghue's MONEY FUND AVERAGES(registered trademark)/All Tax-Free, which is reported in the MONEY FUND REPORT(registered trademark), covers over 325 tax-free money market funds. The Bond Fund Report AverageS(registered trademark)/ Municipal , which is reported in the BOND FUND REPORT(registered trademark), covers over 350 tax-free bond funds. When evaluating comparisons to money market funds, investors should consider the relevant differences in investment objectives and policies. Specifically, money market funds invest in short-term, high-quality instruments and seek to maintain a stable $1.00 share price. The high yield fund, however, invests in longer-term instruments and its share price changes daily in response to a variety of factors.
In advertising materials, Fidelity may reference or discuss its products and services, which may include: other Fidelity funds; retirement investing; brokerage products and services; the effects of periodic investment plans and dollar cost averaging; saving for college; charitable giving; and the Fidelity credit card. In addition, Fidelity may quote financial or business publications and periodicals, including model portfolios or allocations, as they relate to fund management, investment philosophy, and investment techniques. Fidelity may also reprint, and use as advertising and sales literature, articles from Fidelity Focus, a quarterly magazine provided free of charge to Fidelity fund shareholders.
Each fund may present its fund number, Quotron(registered trademark) number, and CUSIP number, and discuss or quote its current portfolio manager.
The high yield fund may advertise examples of the effects of periodic investment plans, including the principle of dollar cost averaging. In such a program, an investor invests a fixed dollar amount in a fund at periodic intervals, thereby purchasing fewer shares when prices are high and more shares when prices are low. While such a strategy does not assure a profit or guard against loss in a declining market, the investor's average cost per share can be lower than if fixed numbers of shares are purchased at the same intervals. In evaluating such a plan, investors should consider their ability to continue purchasing shares during periods of low price levels.
As of November 30, 1993, FMR advised 41 tax-free funds with a total value of over $ 25 billion, and 20 Spartan funds with approximately $ 20 billion in assets. According to the Investment Company Institute, over the past eight years, assets in tax-exempt

funds increased from $45 billion in 1984 to approximately $291 billion at the end of 1992. The funds may reference the growth and variety of money market mutual funds and the adviser's innovation and participation in the industry.

ADDITIONAL PURCHASE AND REDEMPTION INFORMATION

Each fund is open for business and its net asset value per share (NAV) is calculated each day the New York Stock Exchange (NYSE) is open for trading. The NYSE has designated the following holiday closings for 1994: Washington's Birthday (observed), Good Friday, Memorial Day (observed), Independence Day (observed), Labor Day, Thanksgiving Day, and Christmas Day (observed). Although FMR expects the same holiday schedule, with the addition of New Year's Day, to be observed in the future, the NYSE may modify its holiday schedule at any time.

FSC normally determines each fund's NAV as of the close of the NYSE (normally 4:00 p.m. Eastern time). However, NAV may be calculated earlier if trading on the NYSE is restricted or as permitted by the SEC. To the extent that portfolio securities are traded in other markets on days when the NYSE is closed, a fund's NAV may be affected on days when investors do not have access to the fund to purchase or redeem shares.

If the Trustees determine that existing conditions make cash payments undesirable, redemption payments may be made in whole or in part in securities or other property, valued for this purpose as they are valued in computing a fund's NAV. Shareholders receiving securities or other property on redemption may realize a gain or loss for tax purposes, and will incur any costs of sale, as well as the associated inconveniences.

Pursuant to Rule 11a-3 under the 1940 Act, the funds are required to give shareholders at least 60 days' notice prior to terminating or modifying the exchange privilege. Under the Rule, the 60-day notification requirement may be waived if (i) the only effect of a modification would be to reduce or eliminate an administrative fee, redemption fee, or deferred sales charge ordinarily payable at the time of an exchange, or (ii) the fund suspends the redemption of the shares to be exchanged as permitted under the 1940 Act or the rules and regulations thereunder, or the fund to be acquired suspends the sale of its shares because it is unable to invest amounts effectively in accordance with its investment objective and policies.

In the Prospectus, each fund has notified shareholders that it reserves the right at any time, without prior notice, to refuse exchange purchases by any person or group if, in FMR's judgment, the fund would be unable to invest effectively in accordance with its investment objective and policies, or would otherwise potentially be adversely affected.

DISTRIBUTIONS AND TAXES

DISTRIBUTIONS. If you request to have distributions mailed to you and the U.S. Postal Service cannot deliver your checks, or if your checks remain uncashed for six months, Fidelity may reinvest your distributions at the then-current NAV. All subsequent distributions will then be reinvested until you provide Fidelity with alternate instructions.

DIVIDENDS. To the extent that each fund's income is derived from federally tax-exempt interest, the daily dividends declared by the fund are also federally tax-exempt. The funds will send each shareholder a notice in January describing the tax status of dividends and capital gain distributions (if any) for the prior year.

Shareholders are required to report tax-exempt income on their federal tax returns. Shareholders who earn other income, such as Social Security benefits, may be subject to federal income tax on up to one half of such benefits to the extent that their income, including tax-exempt income, exceeds certain base amounts.

The funds purchase municipal obligations based on opinions of bond counsel regarding the federal income tax status of the obligations. These opinions generally will be based on covenants by the issuers regarding continuing compliance with federal tax requirements. If the issuer of an obligation fails to comply with its covenants at any time, interest on the obligation could become federally taxable retroactive to the date the obligation was issued.

As a result of the Tax Reform Act of 1986, interest on certain "private activity" securities (referred to as "qualified bonds" in the Internal Revenue Code) is subject to the federal alternative minimum tax (AMT), although the interest continues to be excludable from gross income for other purposes. Interest from private activity securities will be considered tax-exempt for purposes of the funds' policies of investing so that at least 80% of their income is free from federal income tax. Interest from private activity securities is a tax-preference item for the purposes of determining whether a taxpayer is subject to the AMT and the amount of AMT to be paid, if any. Private activity securities issued after August 7, 1986 to benefit a private or industrial user or to finance a private facility are affected by this rule.

Corporate investors should note that a tax preference item for purposes of the corporate AMT is 75% of the amount by which adjusted current earnings (which includes tax-exempt interest) exceeds alternative minimum taxable income of the corporation.

If a shareholder receives an exempt-interest dividend and sells shares at a loss after holding them for a period of six months or less, the loss will be disallowed to the extent of the amount of the exempt-interest dividend.

CAPITAL GAIN DISTRIBUTIONS. Long-term capital gains earned by the high yield fund on the sale of securities and distributed to shareholders are federally taxable as long-term capital gains, regardless of the length of time that the shareholders have held their shares. If a shareholder receives a long-term capital gain distribution on shares of the fund and such shares are held six months or less and are sold at a loss, the portion of the loss equal to the amount of the long-term capital gain distribution will be considered a long-term loss for tax purposes.

A portion of the gain on bonds purchased at a discount after April 30, 1993 and short-term capital gains distributed by the funds are federally taxable to shareholders as dividends, not as capital gains. Distributions from short-term capital gains do not qualify for the dividends-received deduction. Dividend distributions resulting from a recharacterization of gain from the sale of bonds purchased at a discount after April 30, 1993 are not considered income for purposes of the funds' policy of investing so that at least 80% of their income is free from federal income tax. The money market fund may distribute any net realized short-term capital gains once a year or more often as necessary to maintain its NAV of $1.00 per share.

TAX STATUS OF THE FUNDS. Each fund has qualified and intends to continue to qualify each year as a "regulated investment company" for tax purposes so that it will not be liable for federal tax on income and capital gains distributed to shareholders. In order to qualify as a regulated investment company and avoid being subject to federal income or excise taxes at the fund level, each fund intends to distribute substantially all of its net investment income and net realized capital gains (if any) within each calendar year as well as on a fiscal year basis. The high yield fund also intends to comply with other tax rules applicable to regulated investment companies, including a requirement that capital gains from the sale of securities held less than three months constitute less than 30% of the fund's gross income for each fiscal year. Gains from some futures contracts and options are included in this 30% calculation, which may limit the high yield fund's investments in such instruments. Fidelity Court Street Trust and Fidelity Court Street Trust II treat each of their respective funds as a separate entity for tax purposes.

At November 30, 1993, the money market fund had a capital loss carryforward of approximately $7,460 of which $40, $2,090, and $5,330 will expire on November 30, 1999, 2000, and 2001, respectively.

CONNECTICUT TAXES. The Connecticut income tax is imposed at the rate of 4.5% on the Connecticut taxable income of resident and non-resident individuals, trusts, and estates. Connecticut taxable income is federal adjusted gross income after certain modifications (Connecticut AGI), less a personal exemption. The amount of the personal exemption varies depending on the taxpayer's filing status and is phased out as the amount of Connecticut AGI increases. For a husband and wife filing a joint return, the personal exemption is $24,000 but decreases to zero as Connecticut AGI increases between $48,001 and $71,001. For an individual filing a separate return, the exemption is $12,000 but decreases to zero as Connecticut AGI increases between $24,001 and $35,001. A credit is also provided depending on the taxpayer's filing status and Connecticut AGI. The credit ranges from 75% to 10% of the Connecticut income tax, decreasing as Connecticut AGI increases. No credit is available if Connecticut AGI exceeds $96,000 in the case of a husband and wife filing a joint return, or $48,000 in the case of an individual filing separately. Special exemption and credit rules apply to an individual filing as a head of household or a surviving spouse. The personal exemption and credit, where applicable, lower the effective rate of tax below the flat 4.5% statutory rate. Dividends paid by the fund s that qualify as exempt-interest dividends for federal income tax purposes are not subject to the Connecticut income tax to the extent they are derived from obligations issued by or on behalf of the State of Connecticut, any political subdivision thereof, or any public instrumentality, state or local authority, district, or similar public entity created under laws of the State of Connecticut, or derived from obligations of U.S. possessions and territories - the interest on which federal law prohibits the states from taxing. Exempt-interest dividends derived from other sources and any distributions by the funds that are treated as taxable dividends for federal income tax purposes are includable in Connecticut AGI for purposes of the Connecticut income tax. Amounts, if any, treated as capital gains or losses for federal income tax purposes, such as from capital gain distributions on shares of the high yield fund or arising upon the sale, redemption, or other disposition of shares of the fund by a shareholder, are includable in Connecticut AGI for purposes of the Connecticut income tax to the same extent as they are taxable for federal income tax purposes , except that, subject to the adoption of proposed regulations, capital gain dividends would not have to be included in Connecticut AGI to the extent derived from obligations issued by or on behalf of the State of Connecticut or any of its political subdivisions.

The net Connecticut minimum tax is imposed for taxable years commencing after 1992 on taxpayers subject to both the Connecticut income tax and the federal AMT. The net Connecticut minimum tax is based on what the taxpayer's federal AMT tax base would be if computed taking certain Connecticut modifications into account. Included in these modifications, subject to the adoption of proposed regulations, would be the elimination of exempt-interest dividends on private activity bonds issued by the State of Connecticut or any if its political subdivisions, and capital gain dividends to the extent derived from such obligations.

In addition, the Connecticut corporation business tax is imposed on any corporation or association carrying on, or having the right to carry on, business in Connecticut. Distributions from any source that are treated as federally tax-exempt dividends are includable in gross income for purposes of the corporation business tax. However, the corporation business tax allows a deduction for 70% of amounts includable in taxable income thereunder that are treated as dividends for federal income tax purposes, such as distributions of taxable net investment income and net short-term capital gains, but disallows deductions for expenses related to such amounts.

OTHER TAX INFORMATION. The information above is only a summary of some of the tax considerations generally affecting the funds and their shareholders, and no attempt has been made to discuss individual tax consequences. Investors should consult their tax advisers to determine whether the funds are suitable to their particular tax situations.

FMR

FMR is a wholly owned subsidiary of FMR Corp., a parent company organized in 1972. At present, the principal operating activities of FMR Corp. are those conducted by three of its divisions as follows: FSC, which is the transfer and shareholder servicing agent for certain of the funds advised by FMR; Fidelity Investments Institutional Operations Company, which performs shareholder servicing functions for certain institutional customers; and Fidelity Investments Retail Marketing Company, which provides marketing services to various companies within the Fidelity organization.

Several affiliates of FMR are also engaged in the investment advisory business. Fidelity Management Trust Company provides trustee, investment advisory, and administrative services to retirement plans and corporate employee benefit accounts. Fidelity Management & Research (U.K.) Inc. (FMR U.K.) and Fidelity Management & Research (Far East) Inc. (FMR Far East), both wholly owned subsidiaries of FMR formed in 1986, supply investment research, and may supply portfolio management services, to FMR in connection with certain funds advised by FMR. Analysts employed by FMR, FMR U.K., and FMR Far East research and visit thousands of domestic and foreign companies each year. FMR Texas, a wholly owned subsidiary of FMR formed in 1989, supplies portfolio management and research services in connection with certain money market funds advised by FMR.

TRUSTEES AND OFFICERS

The Trustees and executive officers of the trusts are listed below. Except as indicated, each individual has held the office shown or other offices in the same company for the last five years. Trustees and officers elected or appointed to Fidelity Court Street Trust prior to the money market fund's conversion from a series of Fidelity Court Street Trust to a series of Fidelity Court Street Trust II served Fidelity Court Street Trust in identical capacities. All persons named as Trustees also serve in similar capacities for other funds advised by FMR. Unless otherwise noted, the business address of each Trustee and officer is 82 Devonshire Street, Boston, Massachusetts 02109, which is also the address of FMR. Those Trustees who are "interested persons" (as defined in the Investment Company Act of 1940) by virtue of their affiliation with either trust or with FMR, are indicated by an asterisk (*).

*EDWARD C. JOHNSON 3d, Trustee and President, is Chairman, Chief Executive Officer and a Director of FMR Corp.; a Director and Chairman of the Board and of the Executive Committee of FMR; Chairman and a Director of FMR Texas Inc. (1989), Fidelity Management & Research (U.K.) Inc., and Fidelity Management & Research (Far East) Inc.

*J. GARY BURKHEAD, Trustee and Senior Vice President, is President of FMR; and President and a Director of FMR Texas Inc. (1989), Fidelity Management & Research (U.K.) Inc. and Fidelity Management & Research (Far East) Inc.

RALPH F. COX, (money market fund only) 200 Rivercrest Drive, Fort Worth, TX, Trustee (1991), is President of Greenhill Petroleum Corporation (petroleum exploration and production, 1990). Prior to his retirement in March 1990, Mr. Cox was President and Chief Operating Officer of Union Pacific Resources Company (exploration and production). He is a Director of Bonneville Pacific Corporation (independent power, 1989) and CH2M Hill Companies (engineering). In addition, he served on the Board of Directors of the Norton Company (manufacturer of industrial devices, 1983-1990) and continues to serve on the Board of Directors of the Texas State Chamber of Commerce, and is a member of advisory boards of Texas A&M University and the University of Texas at Austin.

PHYLLIS BURKE DAVIS, (money market fund only) 340 E. 64th Street #22C, New York, NY, Trustee (1992). Prior to her retirement in September 1991, Mrs. Davis was the Senior Vice President of Corporate Affairs of Avon Products, Inc. She is currently a Director of BellSouth Corporation (telecommunications), Eaton Corporation (manufacturing, 1991), and the TJX Companies, Inc. (retail stores, 1990), and previously served as a Director of Hallmark Cards, Inc. (1985-1991) and Nabisco Brands, Inc. In addition, she serves as a Director of the New York City Chapter of the National Multiple Sclerosis Society, and is a member of the Advisory Council of the International Executive Service Corps. and the President's Advisory Council of The University of Vermont School of Business Administration (1988).

RICHARD J. FLYNN, 77 Fiske Hill, Sturbridge, MA, Trustee, is a financial consultant. Prior to September 1986, Mr. Flynn was Vice Chairman and a

Director of the Norton Company (manufacturer of industrial devices). He is currently a Director of Mechanics Bank and a Trustee of College of the Holy Cross and Old Sturbridge Village, Inc.

E. BRADLEY JONES, 3881-2 Lander Road, Chagrin Falls , OH, Trustee (1990). Prior to his retirement in 1984, Mr. Jones was Chairman and Chief Executive Officer of LTV Steel Company. Prior to May 1990, he was Director of National City Corporation (a bank holding company) and National City Bank of Cleveland. He is a Director of TRW Inc. (original equipment and replacement products), Cleveland-Cliffs Inc. (mining), NACCO Industries, Inc. (mining and marketing), Consolidated Rail Corporation, Birmingham Steel Corporation (1988), Hyster-Yale Materials Handling, Inc. (1989), and RPM, Inc. (manufacturer of chemical products, 1990). In addition, he serves as a Trustee of First Union Real Estate Investments; Chairman of the Board of Trustees and a member of the Executive Committee of the Cleveland Clinic Foundation, a Trustee and a member of the Executive Committee of University School (Cleveland), and a Trustee of Cleveland Clinic Florida.

DONALD J. KIRK, 680 Steamboat Road, Apartment #1-North, Greenwich, CT, Trustee, is a Professor at Columbia University Graduate School of Business and a financial consultant. Prior to 1987, he was Chairman of the Financial Accounting Standards Board. Mr. Kirk is a Director of General Re Corporation (reinsurance), and Valuation Research Corp. (appraisals and valuations, 1993). In addition, he serves as Vice Chairman of the Board of Directors of the National Arts Stabilization Fund and Vice Chairman of the Board of the Trustees of the Greenwich Hospital Association (1989) .

*PETER S. LYNCH, Trustee (1990) is Vice Chairman of FMR (1992). Prior to his retirement on May 31, 1990, he was a Director of FMR (1989) and Executive Vice President of FMR (a position he held until March 31, 1991); Vice President of Fidelity Magellan Fund and FMR Growth Group Leader; and Managing Director of FMR Corp. Mr. Lynch was also Vice President of Fidelity Investments Corporate Services (1991-1992). He is a Director of W.R. Grace & Co. (chemicals, 1989) and Morrison Knudsen Corporation (engineering and construction, 1988). In addition, he serves as a Trustee of Boston College, Massachusetts Eye & Ear Infirmary, Historic Deerfield (1989) and Society for the Preservation of New England Antiquities, and as an Overseer of the Museum of Fine Arts of Boston (1990).

GERALD C. McDONOUGH, 135 Aspenwood Drive, Cleveland, OH, Trustee (1989), is Chairman of G.M. Management Group (strategic advisory services). Prior to his retirement in July 1988, he was Chairman and Chief Executive Officer of Leaseway Transportation Corp. (physical distribution services). Mr. McDonough is a Director of ACME-Cleveland Corp. (metal working, telecommunications and electronic products), Brush-Wellman Inc. (metal refining), York International Corp. (air conditioning and refrigeration, 1989), Commercial Intertech Corp. (water treatment equipment, 1992) , and Associated Estates Realty Corporation (a real estate investment trust, 1993).

EDWARD H. MALONE, 5601 Turtle Bay Drive #2104, Naples, FL, Trustee (1988). Prior to his retirement in 1985, Mr. Malone was Chairman, General Electric Investment Corporation and a Vice President of General Electric Company. He is a Director of Allegheny Power Systems, Inc. (electric utility), General Re Corporation (reinsurance) and Mattel Inc. (toy manufacturer). He is also a Trustee of Rensselaer Polytechnic Institute and of Corporate Property Investors and a member of the Advisory Boards of Butler Capital Corporation Funds and Warburg, Pincus Partnership Funds.

MARVIN L. MANN, (money market fund only) 55 Railroad Avenue, Greenwich, CT, Trustee (1993) is Chairman of the Board, President, and Chief Executive Officer of Lexmark International, Inc. (office machines, 1991). Prior to 1991, he held the positions of Vice President of International Business Machines Corporation ("IBM") and President and General Manager of various IBM divisions and subsidiaries. Mr. Mann is a Director of M.A. Hanna Company (chemicals, 1993) and Infomart (marketing services, 1991), a Trammell Crow Co. In addition, he serves as the Campaign Vice Chairman of the Tri-State United Way (1993) and is a member of the University of Alabama President's Cabinet (1990).

THOMAS R. WILLIAMS, 21st Floor, 191 Peachtree Street, N.E., Atlanta, GA, Trustee (1988), is President of The Wales Group, Inc. (management and financial advisory services). Prior to retiring in 1987, Mr. Williams served as Chairman of the Board of First Wachovia Corporation (bank holding company), and Chairman and Chief Executive Officer of The First National Bank of Atlanta and First Atlanta Corporation (bank holding company). He is currently a Director of BellSouth Corporation (telecommunications), ConAgra, Inc. (agricultural products), Fisher Business Systems, Inc. (computer software, 1988), Georgia Power Company (electric utility), Gerber Alley & Associates, Inc. (computer software), National Life Insurance Company of Vermont, American Software, Inc. (1989), and AppleSouth, Inc. (restaurants, 1992).

GARY L. FRENCH, Treasurer (1991). Prior to becoming Treasurer of the Fidelity funds, Mr. French was Senior Vice President, Fund Accounting - Fidelity Accounting & Custody Services Co. (1991); Vice President, Fund Accounting - Fidelity Accounting & Custody Services Co. (1990); and Senior Vice President, Chief Financial and Operations Officer - Huntington Advisers, Inc. (1985-1990).

ARTHUR S. LORING, Secretary, is Senior Vice President and General Counsel of FMR, Vice President - Legal of FMR Corp., and Vice

President and Clerk of FDC.
THOMAS D. MAHER, Assistant Vice President (1990), is Assistant Vice President of Fidelity's money market funds and Vice President and Associate General Counsel of FMR Texas Inc. (1990).
PETER ALLEGRINI, is Vice President of the high yield fund (1990) and other funds advised by FMR and an employee of FMR.
Under a retirement program that became effective on November 1, 1989, Trustees, upon reaching age 72, become eligible to participate in a defined benefit retirement program under which they receive payments during their lifetime from the fund based on their basic trustee fees and length of service. Currently, Messrs. Robert L. Johnson, William R. Spaulding, Bertram H. Witham, and David L. Yunich participate in the program.
As of November 30, 1993, the Trustees and officers of the funds owned, in the aggregate, less than 1% of each fund's total outstanding shares. Also, on that date, Mr. Arthur C. Tauck, 6 Bluff Pt., Westport, CT, owned of record or beneficially approximately 5.15% of the Spartan Connecticut Municipal Money Market Portfolio.
MANAGEMENT CONTRACTS
Each fund employs FMR to furnish investment advisory and other services. Under FMR's management contract with each fund, FMR acts as investment adviser and, subject to the supervision of the Board of Trustees, directs the investments of each fund in accordance with its investment objective, policies, and limitations. FMR also provides the funds with all necessary office facilities and personnel for servicing the funds' investments, and compensates all officers of the Trust, all Trustees who are "interested persons" of the Trust or FMR, and all personnel of the Trust or FMR performing services relating to research, statistical, and investment activities.
In addition, FMR or its affiliates, subject to the supervision of the Board of Trustees, provide the management and administrative services necessary for the operation of the funds. These services include providing facilities for maintaining each fund's organization; supervising relations with custodians, transfer and pricing agents, accountants, underwriters, and other persons dealing with the funds; preparing all general shareholder communications and conducting shareholder relations; maintaining the funds' records and the registration of the funds' shares under federal and state law; developing management and shareholder services for the funds; and furnishing reports, evaluations, and analyses on a variety of subjects to the Board of Trustees.
FMR is responsible for the payment of all expenses of the funds with certain exceptions. Specific expenses payable by FMR include, without limitation, the fees and expenses of registering and qualifying the funds and their shares for distribution under federal and state securities laws; expenses of typesetting for printing the Prospectus and Statement of Additional Information; custodian charges; audit and legal expenses; insurance expenses; association membership dues; and the expenses of mailing reports to shareholders, shareholder meetings, and proxy solicitations. FMR also provides for transfer agent and dividend disbursing services and portfolio and general accounting record maintenance through FSC.
FMR pays all other expenses of the funds with the following exceptions: fees and expenses of all Trustees who are not "interested persons" of the Trust or FMR (the non-interested Trustees); interest on borrowings; taxes; brokerage commissions (if any); and nonrecurring expenses as may arise, including costs of any litigation to which the funds may be a party, and any obligation they may have to indemnify the officers and Trustees with respect to litigation.
FMR is the money market fund's manager pursuant to a management contract dated February 28, 1992. The contract was approved by Fidelity Court Street Trust as sole shareholder of the fund on February 28, 1992, in conjunction with an Agreement and Plan of Conversion to convert the fund from a series of a Massachusetts business trust to a series of a Delaware trust. The Agreement and Plan of Conversion was approved by public shareholders of the fund on December 11, 1992. Besides reflecting the fund's redomiciling, the February 28, 1992 contract is identical to the fund's prior management contract with FMR, which was approved by FMR as sole shareholder on March 1, 1991.
FMR is the high yield fund's manager pursuant to a management contract dated January 1, 1992 which was approved by shareholders on December 11, 1991.
For the services of FMR under these contracts, the funds pay FMR a monthly management fee at the annual rate of .50% (money market fund) and .55% (high yield fund), respectively, of average net assets throughout the month. FMR reduces its fee by an amount equal to the fees and expenses of the non-interested Trustees.
Prior to January 1, 1992, FMR was the high yield fund's manager pursuant to a management contract dated March 1, 1989. For the services of FMR under that contract, the fund paid FMR a monthly management fee composed of two elements: a group fee rate and an individual fund fee rate. The group fee rate was based on the average monthly net assets of all the registered investment companies with which FMR had management contracts and was calculated on a cumulative basis pursuant to a graduated schedule that ranged from .37% to .15%. The individual fund fee rate was .25%.
FMR may, from to time, voluntarily reimburse all or a portion of a fund's operating expenses (excluding interest, taxes, brokerage commissions and

extraordinary expenses). The tables below outline expense limitations (as a percentage of the funds' average net assets) in effect from either commencement of operations (money market fund) or for the last three fiscal years (high yield fund) to November 30, 1993. The tables also show the amount of management fees incurred under each contract and the amounts reimbursed by FMR for each fiscal period.

MONEY MARKET FUND:

From	To	Expense Limitation
September 1, 1993	September 30, 1993	.40%
August 1, 1993	August 31, 1993	.30%
July 1, 1993	July 31, 1993	.25%
June 1, 1993	June 30, 1993	.20%
May 1, 1993	May 31, 1993	.15%
March 1, 1993	April 30, 1993	.10%
September 1, 1992	February 28, 1993	.05%
March 4, 1991	August 31, 1992	0%

Fiscal Year	Management Fees Before Reimbursement	Amount of Reimbursements
1993	$ 641,483	$ 331,281
1992	$243,088	$233,746
1991	$ 48, 500	$ 48,533

HIGH YIELD FUND:

From	To	Expense Limitation
January 1, 1991	--	.55%
July 1, 1989	March 1, 1990	.65%

Fiscal Year	Management Fees Before Reimbursement	Amount of Reimbursements
1993	$ 2,474,254	$ 0
1992	$2,110,249	$ 11,998
1991	$1,251,310	$ 142,655

To defray shareholder service costs, FMR or its affiliates also collect the funds' $5.00 exchange fees, $5.00 account closeout fees, $5.00 fees for wire purchases and redemptions, and the money market fund's $2.00 checkwriting charge. The high yield fund's .50% redemption fee is retained by the fund. Shareholder transaction fees and charges collected for the fiscal years ended November 30, 1993, 1992, and 1991 are indicated in the table below.

MONEY MARKET FUND:

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Fiscal Year	Exchange Fees	Account Closeout Fees	Wire Fees	Checkwriting Charge

</TABLE>

1993	$2,435	$256	$520	$ 1,684
1992	$2,215	$179	$610	$ 1,544
1991	$ 325	$ 5	$ 55	$ 100

HIGH YIELD FUND:

Fiscal Year	Exchange Fees	Account Closeout Fees	Wire Fees
1993	$6,270	$1,475	$ 890
1992	$8,140	$1,340	$ 2,020
1991	$2,465	$ 460	$ 675

SUB-ADVISER. With respect to the money market fund, FMR has entered into a sub-advisory agreement with FMR Texas pursuant to which FMR Texas has primary responsibility for providing portfolio investment management services to the fund. Under the sub-advisory agreement FMR pays FMR Texas a fee equal to 50% of the management fee payable to FMR under its current management contract with the fund. The fees paid to FMR Texas are not reduced by any voluntary or mandatory expense reimbursements that may be in effect from time to time. During the fiscal periods ended November 30, 1993, 1992, and 1991 FMR paid FMR Texas fees of $ 320,741 , $121,544 and $24,250, respectively under the sub-advisory agreement.

DISTRIBUTION AND SERVICE PLANS

Each fund has adopted a distribution and service plan (the Plans) under Rule 12b-1 of the 1940 Act (the Rule). The Rule provides in substance that a mutual fund may not engage directly or indirectly in financing any activity that is primarily intended to result in the sale of shares of the fund except pursuant to a plan adopted by the fund under the Rule. The Board of Trustees has adopted the plans to allow the funds and FMR to incur certain expenses that might be considered to constitute indirect payment by the funds of distribution expenses. Under the plans, if the payment by a fund to FMR of management fees should be deemed to be indirect financing by the fund of the distribution of its shares, such payment is authorized by the fund's plan.

The plans specifically recognize that FMR, either directly or through FDC, may use its management fee revenue, past profits or other resources, without limitation, to pay promotional and administrative expenses in connection with the offer and sale of the funds' shares. In addition, the plans provide that FMR may use its resources, including its management fee revenues, to make payments to third parties that provide assistance in selling the funds' shares, or to third parties, including banks, that render shareholder support services. The Trustees have not authorized third party payments to date.

Each fund's plan has been approved by the Trustees. As required by the Rule, the Trustees carefully considered all pertinent factors relating to implementation of the plans prior to their approval, and have determined that there is a reasonable likelihood that the plans will benefit the funds and their shareholders. In particular, the Trustees noted that the plans do not authorize payments by the funds other than those made to FMR under its management contracts with the funds. To the extent that the plans give FMR and FDC greater flexibility in connection with the distribution of shares of the funds, additional sales of the funds' shares may result. Additionally, certain shareholder support services may be provided more effectively under the plan by local entities with whom shareholders have other relationships. The high yield fund's plan was approved by the fund's shareholders at their meeting on November 16, 1988. The money market fund's plan was approved by Fidelity Court Street Trust on February 28, 1992 as the-then sole shareholder of the fund, pursuant to an Agreement and Plan of Conversion approved by public shareholders of the fund on December 11, 1991.

The Glass-Steagall Act generally prohibits federally and state chartered or supervised banks from engaging in the business of underwriting, selling, or distributing securities. Although the scope of this prohibition under the Glass-Steagall Act has not been clearly defined by the courts or appropriate regulatory agencies, FDC believes that the Glass-Steagall Act should not preclude a bank from performing shareholder support services or servicing and recordkeeping functions. FDC intends to engage banks only to perform such functions. However, changes in federal or state statutes and regulations pertaining to the permissible activities of banks and their affiliates or subsidiaries, as well as further judicial or administrative decisions or interpretations, could prevent a bank from continuing to perform all or a part of the contemplated services. If a bank were prohibited from so acting, the Trustees would consider what actions, if any, would be necessary to continue to provide efficient and effective shareholder services. In such event, changes in the operation of the funds might occur, including possible termination of any automatic investment or redemption or other services then provided by the bank. It is not expected that shareholders would suffer any adverse financial consequences as a result of any of these occurrences. The funds may execute portfolio transactions with and purchase securities issued by depository institutions that receive payments under the plans. No preference will be shown in the selection of investments for the instruments of such depository institutions. In addition, state securities laws on this issue may differ from the interpretations of federal law expressed herein, and banks and other financial institutions may be required to register as dealers pursuant to state law.

INTEREST OF FMR AFFILIATES

United Missouri is each fund's custodian and transfer agent. United Missouri has entered into sub-contracts with FSC, an affiliate of FMR, under the terms of which FSC performs the processing activities associated with providing transfer agent and shareholder servicing functions for each fund. United Missouri has additional sub-contracts with FSC, pursuant to which FSC performs the calculations necessary to determine each fund's net asset value per share and dividends and maintains the funds' accounting records. United Missouri is entitled to reimbursement for fees paid to FSC from FMR, which must bear these costs pursuant to its management contract with each fund.

Prior to January 1, 1992 (in accordance with the terms of the high yield fund's March 1, 1989 contract with FMR) the high yield fund reimbursed its custodian and transfer agent (Shawmut Bank, N.A. from commencement of operations to November 7, 1991, and, subsequently, United Missouri) for fees paid to FSC for transfer agent and pricing and bookkeeping services. The fees paid by the high yield fund's custodian bank to FSC for the fiscal years ended November 30, 1992, and 1991 are indicated in the table below.

Fiscal Year	Transfer Agent Fees	Pricing and Bookkeeping Fees
1992	$ 15,595	$ 14,703
1991	$228,464	$140,129

Each fund has a distribution agreement with FDC, a Massachusetts corporation organized on July 18, 1960. FDC is a broker-dealer registered under the Securities Exchange Act of 1934 and is a member of the National Association of Securities Dealers, Inc. The distribution agreement calls for FDC to use all reasonable efforts, consistent with its other business, to secure purchasers for shares of each fund, which are continuously offered at net asset value. Promotional and administrative expenses in connection with the offer and sale of shares are paid by FMR.

DESCRIPTION OF THE TRUSTS

TRUSTS' ORGANIZATION. Fidelity Court Street Trust (the Massachusetts Trust) is an open-end management investment company originally organized as a Massachusetts business trust on April 21, 1977. On August 1, 1987, the Massachusetts Trust's name was changed from Fidelity High Yield Municipals to Fidelity Court Street Trust. Currently, there are four funds of the Massachusetts Trust: Spartan Connecticut Municipal High Yield Portfolio, Fidelity High Yield Tax-Free Portfolio, Spartan Florida Municipal Income Portfolio, and Spartan New Jersey Municipal High Yield Portfolio. The Massachusetts Trust's Declaration of Trust permits the Trustees to create additional funds.

Fidelity Court Street Trust II (the Delaware Trust) is an open-end management investment company organized as a Delaware Business trust on June 20, 1991. Currently, there are four funds of the Delaware Trust: Fidelity Connecticut Municipal Money Market Portfolio, Spartan Connecticut Municipal Money Market Portfolio, Spartan Florida Municipal Money Market Portfolio, and Fidelity New Jersey Tax-Free Money Market Portfolio. Fidelity Court Street Trust II entered into an agreement to acquire all of the assets of Spartan Connecticut Municipal Money Market Portfolio, a series of the Massachusetts Trust on February 28, 1992. The Delaware Trust's Trust Instrument permits the Trustees to create additional funds.

In the event that FMR ceases to be the investment adviser to a trust or any of its funds, the right of the trust or the fund to use the identifying names "Fidelity" and "Spartan" may be withdrawn. There is a remote possibility that one fund might become liable for any misstatement in its prospectus or statement of additional information about another fund.

The assets of each trust received for the issue or sale of shares of each of its funds and all income, earnings, profits and proceeds thereof, subject only to the rights of creditors, are especially allocated to such fund, and constitute the underlying assets of such fund. The underlying assets of each fund are segregated on the books of account, and are to be charged with the liabilities with respect to such fund and with a share of the general expenses of their respective trusts. Expenses with respect to the trusts are to be allocated in proportion to the asset value of their respective funds, except where allocations of direct expense can otherwise be fairly made. The officers of the trusts, subject to the general supervision of the Board of Trustees, have the power to determine which expenses are allocable to a given fund, or which are general or allocable to all of the funds of a certain trust. In the event of the dissolution or liquidation of a trust, shareholders of each fund of that trust are entitled to receive as a class the underlying assets of such fund available for distribution.

SHAREHOLDER AND TRUSTEE LIABILITY - MASSACHUSETTS TRUST. The Massachusetts Trust is an entity of the type commonly known as "Massachusetts business trust." Under Massachusetts law, shareholders of such a trust may, under certain circumstances, be held personally liable for the obligations of the trust. The Declaration of Trust provides that the Massachusetts Trust shall not have any claim against shareholders except for the payment of the purchase price of shares and requires that each agreement, obligation, or instrument entered into or executed by the Massachusetts Trust or its Trustees shall include a provision limiting the obligations created thereby to the Massachusetts Trust and its assets. The Declaration of Trust provides for indemnification out of each fund's property of any shareholders held personally liable for the obligations of the fund. The Declaration of Trust also provides that each fund shall, upon request, assume the defense of any claim made against any shareholder for any act or obligation of the fund and satisfy any judgment thereon. Thus, the risk of a shareholder incurring financial loss on account of shareholder liability is limited to circumstances in which the fund itself would be unable to meet its obligations. FMR believes that, in view of the above, the risk of personal liability to shareholders is remote.

The Declaration of Trust further provides that the Trustees, if they have exercised reasonable care, will not be liable for any neglect or wrongdoing, but nothing in the Declaration of Trust protects Trustees against any liability to which they would otherwise be subject by reason of willful misfeasance, bad faith, gross negligence, or reckless disregard of the duties involved in the conduct of their office.

SHAREHOLDER AND TRUSTEE LIABILITY - DELAWARE TRUST. The Delaware Trust is a business trust organized under Delaware law. Delaware law provides that shareholders shall be entitled to the same limitations of personal liability extended to stockholders of private corporations for profit. The courts of some states, however, may decline to apply Delaware law on this point. The Trust Instrument contains an express disclaimer of shareholder liability for the debts, liabilities, obligations, and expenses of the Delaware Trust and requires that a disclaimer be given in each contract entered into or executed by the Delaware Trust or its Trustees. The Trust Instrument provides for indemnification out of each fund's property of any shareholder or former shareholder held personally liable for the obligations of the fund. The Trust Instrument also provides that each fund shall, upon request, assume the defense of any claim made against any shareholder for any act or obligation of the fund and satisfy any judgment thereon. Thus, the risk of a shareholder incurring financial loss on account of shareholder liability is limited to circumstances in which Delaware law does not apply, no contractual limitation of liability was in effect, and the fund is unable to meet its obligations. FMR believes that, in view of the above, the risk of personal liability to shareholders is extremely remote.

The Trust Instrument further provides that the Trustees shall not be personally liable to any person other than the Delaware Trust or its shareholders; moreover, the Trustees shall not be liable for any conduct whatsoever, provided that the Trustees are not protected against any liability to which they would otherwise be subject by reason of willful misfeasance, bad faith, gross negligence, or reckless disregard of the duties involved in the conduct of their office.

VOTING RIGHTS - BOTH TRUSTS. Each fund's capital consists of shares of beneficial interest. The shares have no preemptive or conversion rights; voting and dividend rights, the right of redemption, and the privilege of exchange are described in the Prospectus. Shares are fully paid and nonassessable, except as set forth under the respective "Shareholder and Trustee Liability" headings on page 24 . Shareholders representing 10% or more of a trust or one of its funds may, as set forth in the Declaration of Trust or Trust Instrument, call meetings of the trust or fund for any purpose related to the trust or fund, as the case may be, including, in the case of a meeting of an entire trust, the purpose of voting on removal of one or more Trustees.

A trust or any fund may be terminated upon the sale of its assets to (or, in the case of the Delaware Trust and its funds, merger with) another open-end management investment company or series thereof, or upon liquidation and distribution of its assets. Generally such terminations must be approved by vote of the holders of a majority of the outstanding shares of the trust or the fund, however, the Trustees of the Delaware Trust may, without prior shareholder approval, change the form of the organization of the Delaware Trust by merger, consolidation, or incorporation. If not so terminated or reorganized, the trusts and their funds will continue indefinitely.

Under the Trust Instrument, the Trustees may, without shareholder vote, cause the Delaware Trust to merge or consolidate into one or more trusts, partnerships, or corporations, so long as the surviving entity is an open-end management investment company that will succeed to or assume the Delaware Trust registration statement, or cause the Delaware Trust to be incorporated under Delaware law. The Delaware Trust may also invest all of its assets in another investment company.

CUSTODIAN. United Missouri Bank, N.A., 1010 Grand Avenue, Kansas City, Missouri, is custodian of the assets of the funds. The custodian is responsible for the safekeeping of the funds' assets and the appointment of subcustodian banks and clearing agencies. The custodian takes no part in determining the investment policies of the funds or in deciding which securities are purchased or sold by the funds. The funds may, however, invest in obligations of the custodian and may purchase securities from or sell securities to the custodian.

FMR, its officers and directors, its affiliated companies, and the trusts' Trustees may from time to time have transactions with various banks, including banks serving as custodians for certain of the funds advised by FMR. Transactions that have occurred to date include mortgages and personal and general business loans. In the judgment of FMR, the terms and conditions of those transactions were not influenced by existing or potential custodial or other fund relationships.

AUDITOR. Coopers & Lybrand, One Post Office Square, Boston, Massachusetts (high yield fund) and 1999 Bryan Street, Dallas, Texas (money market fund) serves as the trusts' independent accountant. The auditor examines financial statements for the funds and provides other audit, tax, and related services.

FINANCIAL STATEMENTS

The funds' Annual Report for the fiscal year ended November 30, 1993 is a separate report supplied with this Statement of Additional Information and is incorporated herein by reference.

APPENDIX

The descriptions that follow are examples of eligible ratings for the funds. A fund may, however, consider the ratings for other types of investments and the ratings assigned by other rating organizations when determining the eligibility of a particular investment.

DESCRIPTION OF MOODY'S INVESTORS SERVICE, INC.'S RATINGS OF STATE AND MUNICIPAL NOTES:

Moody's ratings for state and municipal and other short-term obligations will be designated Moody's Investment Grade (MIG, or VMIG for variable rate obligations). This distinction is in recognition of the difference between short-term credit risk and long-term credit risk. Factors affecting the liquidity of the borrower and short-term cyclical elements are critical in short-term ratings, while other factors of major importance in bond risk, long-term secular trends for example, may be less important in the short run. Symbols used will be as follows:

MIG-1/VMIG-1 - This designation denotes best quality. There is present strong protection by established cash flows, superior liquidity support, or demonstrated broad-based access to the market for refinancing.

MIG-2/VMIG-2 - This designation denotes high quality. Margins of protection are ample although not so large as in the preceding group.

MIG-3/VMIG-3 - This designation denotes favorable quality, with all security elements accounted for, but there is lacking the undeniable strength of the preceding grades. Liquidity and cash flow protection may be narrow and market access for refinancing is likely to be less well established.

MIG-4/VMIG-4 - This designation denotes adequate quality protection commonly regarded as required of an investment security is present and, although not distinctly or predominantly speculative, there is specific risk.

DESCRIPTION OF STANDARD & POOR'S CORPORATION'S RATINGS OF STATE AND MUNICIPAL NOTES:

SP-1 - Very strong or strong capacity to pay principal and interest. Those issues determined to possess overwhelming safety characteristics will be given a plus (+) designation.

SP-2 - Satisfactory capacity to pay principal and interest.

SP-3 - Speculative capacity to pay principal and interest.

DESCRIPTION OF MOODY'S INVESTORS SERVICE, INC.'S MUNICIPAL BOND RATINGS:

AAA - Bonds rated Aaa are judged to be of the best quality. They carry the smallest degree of investment risk and are generally referred to as "gilt edge." Interest payments are protected by a large or by an exceptionally stable margin and principal is secure. While the various protective elements are likely to change, such changes as can be visualized are most unlikely to impair the fundamentally strong position of such issues.

AA - Bonds rated Aa are judged to be of high quality by all standards. Together with the Aaa group they comprise what are generally known as high-grade bonds. They are rated lower than the best bonds because margins of protection may not be as large as in Aaa securities or fluctuation of protective elements may be of greater amplitude or there may be other elements present which make the long-term risks appear somewhat larger than in Aaa securities.

A - Bonds rated A possess many favorable investment attributes and are to be considered as upper-medium-grade obligations. Factors giving security to principal and interest are considered adequate but elements may be present which suggest a susceptibility to impairment sometime in the future.

BAA - Bonds rated Baa are considered as medium-grade obligations, i.e., they are neither highly protected nor poorly secured. Interest payments and principal security appear adequate for the present but certain protective elements may be lacking or may be characteristically unreliable over any great length of time. Such bonds lack outstanding investment characteristics and in fact have speculative characteristics as well.

BA - Bonds rated Ba are judged to have speculative elements. Their future cannot be considered as well assured. Often the protection of interest and principal payments may be very moderate and thereby not well safeguarded during both good and bad times in the future. Uncertainty of position characterizes bonds in this class.

B - Bonds rated B generally lack characteristics of a desirable investment. Assurance of interest and principal payments of or maintenance of other terms of the contract over any long period of time may be small.

CAA - Bonds rated Caa are of poor standing. Such issues may be in default or there may be present elements of danger with respect to principal or interest.

CA - Bonds rated Ca represent obligations which are speculative in a high degree. Such issues are often in default or have other marked short-comings.

C - Bonds rated C are the lowest-rated class of bonds and issues so rated can be regarded as having extremely poor prospects of ever attaining any real investment standing.

Those bonds in the Aa, A, Baa, Ba, and B groups which Moody's believes possess the strongest investment attributes are designated by the symbols Aa1, A1, Baa1, Ba1, and B1.

DESCRIPTION OF STANDARD & POOR'S CORPORATION'S MUNICIPAL BOND RATINGS:

AAA - Debt rated AAA has the highest rating assigned by Standard & Poor's to a debt obligation. Capacity to pay interest and repay principal is extremely strong.

AA - Debt rated AA has a very strong capacity to pay interest and repay principal and differs from the highest-rated debt issues only in small degree.

A - Debt rated A has a strong capacity to pay interest and repay principal, although it is somewhat more susceptible to the adverse effects of changes

in circumstances and economic conditions.
BBB - Debt rated BBB is regarded as having an adequate capacity to pay interest and repay principal. Whereas it normally exhibits adequate protection parameters, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity to pay interest and repay principal for debt in this category than in higher-rated categories.
BB - Debt rated BB has less near-term vulnerability to default than other speculative issues. However, it faces major ongoing uncertainties or exposure to adverse business, financial, or economic conditions which could lead to inadequate capacity to meet timely interest and principal payments.
B - Debt rated B has a greater vulnerability to default but currently has the capacity to meet interest payments and principal repayments. Adverse business, financial, or economic conditions will likely impair capacity or willingness to pay interest and repay principal. The B rating category is also used for debt subordinated to senior debt that is assigned an actual or implied BB or BB- rating.
CCC - Debt rated CCC has a currently identifiable vulnerability to default, and is dependent upon favorable business, financial, and economic conditions to meet timely payment of interest and repayment of principal. In the event of adverse business, financial, or economic conditions, it is not likely to have the capacity to pay interest and repay principal.
CC - Debt rated CC is typically applied to debt subordinated to senior debt which is assigned an actual or implied CCC debt rating.
C - The rating C is typically applied to debt subordinated to senior debt which is assigned on actual or implied CCC- debt rating. The C rating may be used to cover a situation where a bankruptcy petition has been filed but debt service payments are continued.
CI - The rating CI is reserved for income bonds on which no interest is being paid.
D - Debt rated D is in payment default. The D rating category is used when interest payments or principal payments are not made on the date due even if the applicable grace period has not expired, unless S&P believes that such payments will be made during such grace period. The D rating will also be used upon the filing of a bankruptcy petition if debt service payments are jeopardized.
The ratings from AA to CCC may be modified by the addition of a plus or minus to show relative standing within the major rating categories.

PART C - OTHER INFORMATION
PART C - OTHER INFORMATION
Item 24. Financial Statements and Exhibits
(a)(1) Financial Statements for Spartan New Jersey Municipal High Yield Portfolio for the fiscal year ended November 30, 1993 are incorporated by reference into the fund's Statement of Additional Information and are filed herein as Exhibit 24(a)(1).
(2) Financial Statements for Spartan Florida Municipal Funds: Spartan Florida Municipal Income Portfolio and Spartan Florida Municipal Money Market Portfolio for the fiscal year ended November 30, 1993 are incorporated by reference into the funds' Statement of Additional Information and are filed herein as Exhibit 24(a)(2).
(3) Financial Statements for Spartan Conneticut Municipal Portfolios: Spartan Connecticut Municipal Income Portfolio and Spartan Connecticut Municipal Money Market Portfolio for the fiscal year ended November 30, 1993 are incorporated by reference into the funds' Statement of Additional Information and are filed herein as Exhibit 24(a)(3).
(b) Exhibits
1 (a) Declaration of Trust, dated April 21, 1977, is incorporated herein by reference to Exhibit 1(a) to Registration Statement No. 2-58774.
(b) Supplement to Declaration of Trust, dated October 14, 1977, is incorporated herein by reference to Exhibit 1(b) to Post-Effective Amendment No. 32.
(c) Supplement to Declaration of Trust, dated November 3, 1977, is incorporated herein by reference to Exhibit 1(c) to Post-Effective Amendment No. 32.
(d) Supplement to Declaration of Trust, dated November 18, 1977, is incorporated herein by reference to Exhibit 1(d) to Post-Effective Amendment No. 32.
(e) Amended and Restated Declaration of Trust, dated February 1, 1987, is incorporated herein by reference to Exhibit 1(b) to Post-Effective Amendment No. 18.
(f) Supplement to the Declaration of Trust, effective August 1, 1987, is incorporated herein by reference to Exhibit 1(c) to Post-Effective Amendment No. 20.
(g) Supplement to the Declaration of Trust, effective December 9, 1988, is incorporated herein by reference to Exhibit 1(d) to Post-Effective Amendment No. 26.
2. Not applicable.
3. Not applicable.
4. Not applicable.
5. (a) Form of Management Contract between Fidelity High Yield Tax-Free Portfolio and Fidelity Management & Research Company is incorporated herein by reference to Exhibit 5(a) to Post-Effective Amendment No. 41
(b) Management Contract between Spartan Florida Municipal Income Portfolio and Fidelity Management & Research Company is incorporated

herein by reference to Exhibit 5(b) to Post-Effective Amendment No. 39.
(c) Management Contract between Spartan New Jersey Municipal High Yield Portfolio and Fidelity Management & Research Company, dated January 1, 1992, is incorporated herein by reference to Exhibit 5(c) to Post-Effective Amendment No. 39.
(d) Management Contract between Spartan Connecticut Municipal High Yield Portfolio and Fidelity Management & Research Company, dated January 1,1992, is incorporated herein by reference to Exhibit 5(d) to Post-Effective Amendment No. 39.
6. (a) General Distribution Agreement between Fidelity High Yield Municipals and Fidelity Distributors Corporation, dated April 1, 1987, is incorporated herein by reference to Exhibit 6(a) to Post-Effective Amendment No. 21.
(b) General Distribution Agreement between Fidelity New Jersey Tax-Free High Yield Portfolio (now known as Spartan New Jersey Municipal High Yield Portfolio) and Fidelity Distributors Corporation, dated August 10, 1987, is incorporated herein by reference to Exhibit 6(b) to Post-Effective Amendment No. 22.
(c) General Distribution Agreement between Fidelity Connecticut Tax-Free High Yield Portfolio and Fidelity Distributors Corporation, dated October 15, 1987, is incorporated herein by reference to Exhibit 6(d) to Post-Effective Amendment No. 21.
(d) Amendment to the General Distribution Agreement between Fidelity High Yield Municipals and Fidelity Distributors Corporation, dated January 1, 1988, is incorporated herein by reference to Exhibit 6(f) to Post-Effective Amendment No. 26.
(e) Amendment to the General Distribution Agreement between Fidelity New Jersey Tax-Free High Yield Portfolio and Fidelity Distributors Corporation, dated January 1, 1988, is incorporated herein by reference to Exhibit 6(g) to Post-Effective Amendment No. 26.
(f) Amendment to the General Distribution Agreement between Fidelity Connecticut Tax-Free High Yield Portfolio (now known as Spartan Connecticut Municipal High Yield Portfolio) and Fidelity Distributors Corporation, dated January 1, 1988, is incorporated herein by reference to Exhibit 6(h) to Post-Effective Amendment No. 26.
(g) Form of General Distribution Agreement between Spartan Florida Municipal Income Portfolio and Fidelity Distributors Corporation was filed as Exhibit 6(h) Post-Effective Amendment No. 37.
7. Retirement Plan for Non-Interested Person Trustees, Directors or General Partners, effective November 1, 1989, is incorporated herein by reference to Exhibit 7 to Post-Effective Amendment No. 36.
8. (a) Custodian Contract, dated July 18, 1991, between Fidelity Court Street Trust and United Missouri Bank, N.A. is incorporated herein by reference to Exhibit 8(b) to Post-Effective Amendment No. 36.
(b) Appendix A, dated March 2, 1992, to Custodian Contract, dated July 18, 1991, between Fidelity Court Street Trust and United Missouri Bank, N.A. is incorporated herein by reference to Exhibit 8(b) to Post-Effective Amendment No. 39.
9. (a) Amendment to Transfer Agency Agreement between the Registrant and State Street Bank, dated October 1, 1984, is incorporated herein by reference to Exhibit 9(b) to Post-Effective Amendment No. 16.
(b) Amended Transfer Agent Agreement between Fidelity Court Street Trust and Shawmut Bank, N.A., dated June 1, 1989, is incorporated herein by reference to Exhibit 9(b) to Post-Effective Amendment No. 32.
(c) Appointment of Sub-Transfer Agent and Schedule A for Fidelity New Jersey Tax-Free High Yield Portfolio, dated June 1, 1989, is incorporated herein by reference to Exhibit 9(c) to Post-Effective Amendment No. 32.
(d) Appointment of Sub-Transfer Agent and Schedule A for Fidelity Connecticut Tax-Free Portfolio, dated June 1, 1989, is incorporated herein by reference to Exhibit 9(e) to Post-Effective Amendment No. 32.
(e) Form of Appointment of Sub-Transfer Agent and Schedule A for Spartan Florida Municipal Income Portfolio was filed as Exhibit 9(e) to Post-Effective Amendment No. 37.
(f) Amended Service Agreement between Fidelity Court Street Trust and Shawmut Bank, N.A., dated June 1, 1989, is incorporated herein by reference to Exhibit 9(g) to Post-Effective Amendment No. 32.
(g) Appointment of Sub-Servicing Agent and Schedules B and C for Fidelity New Jersey Tax-Free High Yield Portfolio, dated June 1, 1989, is incorporated herein by reference to Exhibit 9(h) to Post-Effective Amendment No. 32.
(h) Appointment of Sub-Servicing Agent and Schedules B and C for Fidelity Connecticut Tax-Free Portfolio, dated June 1, 1989, is incorporated herein by reference to Exhibit 9(j) to Post-Effective Amendment No. 32.
(i) Form of Appointment of Sub-Servicing Agent and Schedule B and C for Spartan Florida Municipal Income Portfolio was filed as Exhibit 9(i) Post-Effective Amendment No. 37.
10. Not applicable.
11. Consent of Coopers & Lybrand is filed herein as Exhibit 11.
12. Not applicable.
13. Not applicable.
14. Not applicable.
15. (a) Distribution and Service Plan pursuant to Rule 12b-1 for Fidelity High Yield Municipals is incorporated herein by reference to Exhibit 15(a) to Post-Effective Amendment No. 18.

(b) Distribution and Service Plan pursuant to Rule 12b-1 for Fidelity New Jersey Tax-Free High Yield Portfolio is incorporated herein by reference to Exhibit 15(b) to Post-Effective Amendment No. 22.

(c) Distribution and Service Plan pursuant to Rule 12b-1 for Fidelity Connecticut Tax-Free High Yield Portfolio is incorporated herein by reference to Exhibit 15(c) to Post-Effective Amendment No. 21.

(d) Distribution and Service Plan pursuant to Rule 12b-1 for Spartan Florida Municipal Income Portfolio was filed as Exhibit 15(d) Post-Effective Amendment No. 37.

16. (a) A schedule for the computation of performance quotations is incorporated herein by reference to Exhibit 16(a) to Post-Effective Amendment No. 27.

(b) A schedule for the computation of adjusted net asset value is incorporated herein by reference to Exhibit 16(b) to Post-Effective Amendment No. 43.

Item 25. Persons Controlled by or under Common Control with Registrant

The Board of Trustees of the Registrant is substantially the same as the boards of other funds advised by FMR, each of which has Fidelity Management & Research Company as its investment adviser. In addition, the officers of these funds are substantially identical. Nonetheless, Registrant takes the position that it is not under common control with these other funds since the power residing in the respective boards and officers arises as the result of an official position with the respective funds.

Item 26. Number of Holders of Securities

As of November 30, 1993

Name of Class: Shares of Beneficial Interest

Title of Series: Number of Record Holders

Fidelity High Yield Tax-Free Portfolio	65,354
Spartan Connecticut Municipal High Yield Portfolio	9,318
Spartan New Jersey Municipal High Yield Portfolio	11,440
Spartan Florida Municipal Income Portfolio	9,124

Item 27. Indemnification

Article XI, Section 2 of the Declaration of Trust sets forth the reasonable and fair means for determining whether indemnification shall be provided to any past or present Trustee or officer. It states that the Registrant shall indemnify any present or past Trustee or officer to the fullest extent permitted by law against liability and all expenses reasonably incurred by him in connection with any claim, action, suit or proceeding in which he is involved by virtue of his service as a trustee, an officer, or both. Additionally, amounts paid or incurred in settlement of such matters are covered by this indemnification. Indemnification will not be provided in certain circumstances, however. These include instances of willful misfeasance, bad faith, gross negligence, and reckless disregard of the duties involved in the conduct of the particular office involved.

Item 28. Business and Other Connections of the Investment Adviser

FMR serves as investment adviser to a number of other investment companies. The directors and officers of the Adviser have held, during the past two fiscal years, the following positions of a substantial nature.

<TABLE>
<CAPTION>

<S>	<C>
Edward C. Johnson 3d	Chairman of the Executive Committee of FMR; President and Chief Executive Officer of FMR Corp.; Chairman of the Board and a Director of FMR, FMR Corp., FMR Texas Inc. (1989), Fidelity Management & Research (U.K.) Inc. and Fidelity Management & Research (Far East) Inc.; President and Trustee of funds advised by FMR;
J. Gary Burkhead	President of FMR; Managing Director of FMR Corp.; President and a Director of FMR Texas Inc. (1989), Fidelity Management & Research (U.K.) Inc. and Fidelity Management & Research (Far East) Inc.; Senior Vice President and Trustee of funds advised by FMR.
Peter S. Lynch	Vice Chairman of FMR (1992).
David Breazzano	Vice President of FMR (1993) and of a fund advised by FMR.
Stephan Campbell	Vice President of FMR (1993).

Rufus C. Cushman, Jr.	Vice President of FMR and of funds advised by FMR; Corporate Preferred Group Leader.
Will Danof	Vice President of FMR (1993) and of a fund advised by FMR.
Scott DeSano	Vice President of FMR (1993).
Penelope Dobkin	Vice President of FMR (1990) and of a fund advised by FMR.
Larry Domash	Vice President of FMR (1993).
George Domolky	Vice President of FMR (1993) and of a fund advised by FMR.
Charles F. Dornbush	Senior Vice President of FMR (1991); Chief Financial Officer of the Fidelity funds; Treasurer of FMR Texas Inc. (1989), Fidelity Management & Research (U.K.) Inc., and Fidelity Management & Research (Far East) Inc.
Robert K. Duby	Vice President of FMR.
Margaret L. Eagle	Vice President of FMR and of a fund advised by FMR.
Kathryn L. Eklund	Vice President of FMR (1991).
Richard B. Fentin	Senior Vice President of FMR (1993) and of a fund advised by FMR.
Daniel R. Frank	Vice President of FMR and of funds advised by FMR.
Gary L. French	Vice President of FMR (1991) and Treasurer of the funds advised by FMR (1991). Prior to assuming the position as Treasurer he was Senior Vice President, Fund Accounting - Fidelity Accounting & Custody Services Co. (1991) (Vice President, 1990-1991); and Senior Vice President, Chief Financial and Operations Officer - Huntington Advisers, Inc. (1985-1990).
Michael S. Gray	Vice President of FMR and of funds advised by FMR.
Barry A. Greenfield	Vice President of FMR and of a fund advised by FMR.
William J. Hayes	Senior Vice President of FMR (1989); Income/Growth Group Leader (1990) and International Group Leader (1990).
Robert Haber	Vice President of FMR (1991) and of funds advised by FMR.

Daniel Harmetz	Vice President of FMR (1991) and of a fund advised by FMR.
Ellen S. Heller	Vice President of FMR (1991).

</TABLE>

John Hickling Vice President of FMR (1993) and of funds advised by FMR.

<TABLE>
<CAPTION>

<S>	<C>
Robert F. Hill	Vice President of FMR (1989); and Director of Technical Research.
Stephan Jonas	Vice President of FMR (1993).
David B. Jones	Vice President of FMR (1993).
Steven Kaye	Vice President of FMR (1993) and of a fund advised by FMR.
Frank Knox	Vice President of FMR (1993).
Robert A. Lawrence	Senior Vice President of FMR (1993); and High Income Group Leader.
Alan Leifer	Vice President of FMR and of a fund advised by FMR.
Harris Leviton	Vice President of FMR (1993) and of a fund advised by FMR.
Bradford E. Lewis	Vice President of FMR (1991) and of funds advised by FMR.
Robert H. Morrison	Vice President of FMR and Director of Equity Trading.
David Murphy	Vice President of FMR (1991) and of funds advised by FMR.
Jacques Perold	Vice President of FMR (1991).
Brian Posner	Vice President of FMR (1993) and of a fund advised by FMR.
Anne Punzak	Vice President of FMR (1990) and of funds advised by FMR.

Richard A. Spillane	Vice President of FMR (1990) and of funds advised by FMR; and Director of Equity Research (1989).
Robert E. Stansky	Senior Vice President of FMR (1993) and of funds advised by FMR.
Thomas Steffanci	Senior Vice President of FMR (1993); and Fixed-Income Division Head.
Gary L. Swayze	Vice President of FMR and of funds advised by FMR; and Tax-Free Fixed-Income Group Leader.
Donald Taylor	Vice President of FMR (1993) and of funds advised by FMR.
Beth F. Terrana	Senior Vice President of FMR (1993) and of funds advised by FMR.
Joel Tillinghast	Vice President of FMR (1993) and of a fund advised by FMR.
Robert Tucket	Vice President of FMR (1993).
George A. Vanderheiden	Senior Vice President of FMR; Vice President of funds advised by FMR; and Growth Group Leader (1990).
Jeffrey Vinik	Senior Vice President of FMR (1993) and of a fund advised by FMR.
Guy E. Wickwire	Vice President of FMR and of a fund advised by FMR.
Arthur S. Loring	Senior Vice President (1993), Clerk and General Counsel of FMR; Vice President, Legal of FMR Corp.; and Secretary of funds advised by FMR.

</TABLE>

(a) Fidelity Distributors Corporation (FDC) acts as distributor for most funds advised by FMR and the following other funds:
CrestFunds, Inc.
The Victory Funds
ARK Funds
(b)

Name and Principal Business Address*	Positions and Offices With Underwriter	Positions and Offices With Registrant
Edward C. Johnson 3d	Director	Trustee and President
Nita B. Kincaid	Director	None
W. Humphrey Bogart	Director	None
Kurt A. Lange	President and Treasurer	None
William L. Adair	Senior Vice President	None
Thomas W. Littauer	Senior Vice President	None

Arthur S. Loring   Vice President and Clerk   Secretary

* 82 Devonshire Street, Boston, MA
(c) Not applicable.
Item 30. Location of Accounts and Records
All accounts, books, and other documents required to be maintained by Section 31a of the 1940 Act and the Rules promulgated thereunder are maintained by Fidelity Management & Research Company or Fidelity Service Co., 82 Devonshire Street, Boston, MA 02109, or the funds' custodian: United Missouri Bank, N.A., 1010 Grand Avenue, Kansas City, MO.
Item 31. Management Services
Not applicable.
Item 32. Undertakings
The Registrant, on behalf of Fidelity High Yield Tax-Free Portfolio, Spartan Connecticut Municipal High Yield Portfolio, Spartan New Jersey Municipal High Yield Portfolio, and Spartan Florida Municipal Income Portfolio undertakes, provided the information required by Item 5A is contained in the annual report, to furnish each person to whom a prospectus has been delivered, upon their request and without charge, a copy of the Registrant's latest annual report to shareholders.
SIGNATURES
Pursuant to the requirements of the Securities Act of 1933 and the Investment Company Act of 1940, the Registrant certifies that it meets all of the requirements for the effectiveness of this Registration Statement pursuant to Rule 485(b) under the Securities Act of 1933 and has duly caused this Post-Effective Amendment No. 49 to the Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Boston, and Commonwealth of Massachusetts, on the 10th day of January 1994.

FIDELITY COURT STREET TRUST
By /s/Edward C. Johnson 3d (dagger)
Edward C. Johnson 3d, President

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed below by the following persons in the capacities and on the dates indicated.

(Signature)   (Title)   (Date)

<TABLE>
<CAPTION>
<S>   <C>   <C>
/s/Edward C. Johnson 3d(dagger)   President and Trustee   January 10, 1994

Edward C. Johnson 3d   (Principal Executive Officer)

</TABLE>

/s/Gary L. French   Treasurer   January 10, 1994

Gary L. French

/s/J. Gary Burkhead   Trustee   January 10, 1994

J. Gary Burkhead

Trustee   January 10, 1994

Ralph F. Cox

Trustee   January 10, 1994

Phyllis Burke Davis

/s/Richard J. Flynn   *   Trustee   January 10, 1994

Richard J. Flynn

/s/E. Bradley Jones   *   Trustee   January 10, 1994

E. Bradley Jones

/s/Donald J. Kirk   *   Trustee   January 10, 1994

Donald J. Kirk

/s/Peter S. Lynch   *   Trustee   January 10, 1994

Peter S. Lynch

/s/Edward H. Malone * Trustee January 10, 1994

Edward H. Malone

/s/Gerald C. McDonough* Trustee January 10, 1994

Gerald C. McDonough

/s/Thomas R. Williams * Trustee January 10, 1994

Thomas R. Williams

(dagger) Signatures affixed by J. Gary Burkhead pursuant to a power of attorney dated October 20, 1993 and filed herewith.
* Signature affixed by Robert C. Hacker pursuant to a power of attorney dated October 20, 1993 and filed herewith.

POWER OF ATTORNEY

We, the undersigned Directors, Trustees or General Partners, as the case may be, of the following investment companies:

<TABLE>
<CAPTION>

<S>	<C>
Fidelity Advisor Series I	Fidelity Institutional Trust
Fidelity Advisor Series II	Fidelity Investment Trust
Fidelity Advisor Series III	Fidelity Magellan Fund
Fidelity Advisor Series IV	Fidelity Massachusetts Municipal Trust
Fidelity Advisor Series V	Fidelity Money Market Trust
Fidelity Advisor Series VI	Fidelity Mt. Vernon Street Trust
Fidelity Advisor Series VII	Fidelity Municipal Trust
Fidelity Advisor Series VIII	Fidelity New York Municipal Trust
Fidelity California Municipal Trust	Fidelity Puritan Trust
Fidelity Capital Trust	Fidelity School Street Trust
Fidelity Charles Street Trust	Fidelity Securities Fund
Fidelity Commonwealth Trust	Fidelity Select Portfolios
Fidelity Congress Street Fund	Fidelity Sterling Performance Portfolio, L.P.
Fidelity Contrafund	Fidelity Summer Street Trust
Fidelity Corporate Trust	Fidelity Trend Fund
Fidelity Court Street Trust	Fidelity U.S. Investments-Bond Fund, L.P.
Fidelity Destiny Portfolios	Fidelity U.S. Investments-Government Securities Fund, L.P.
Fidelity Deutsche Mark Performance Portfolio, L.P.	Fidelity Union Street Trust
Fidelity Devonshire Trust	Fidelity Yen Performance Portfolio, L.P.
Fidelity Exchange Fund	Spartan U.S. Treasury Money Market Fund
Fidelity Financial Trust	Variable Insurance Products Fund
Fidelity Fixed-Income Trust	Variable Insurance Products Fund II
Fidelity Government Securities Fund	
Fidelity Hastings Street Trust	
Fidelity Income Fund	

</TABLE>

plus any other investment company for which Fidelity Management & Research Company acts as investment adviser and for which the undersigned individuals serve as Board Members (collectively, the "Funds"), hereby severally constitute and appoint Arthur J. Brown, Arthur C. Delibert, Robert C. Hacker, Richard M. Phillips, Dana L. Platt and Stephanie A. Xupolos, each of them singly, our true and lawful attorneys-in-fact, with full power of substitution, and with full power to each of them, to sign for us and in our names in the appropriate capacities, all Pre-Effective Amendments to any Registration Statements of the Funds, any and all subsequent Post-Effective Amendments to said Registration Statements, any Registration Statements on Form N-14, and any supplements or other instruments in connection therewith, and generally to do all such things in our names and behalf in connection therewith as said attorneys-in-fact deem necessary or appropriate, to comply with the provisions of the Securities Act of 1933 and Investment Company Act of 1940, and all related requirements of the Securities and Exchange Commission, hereby ratifying and confirming all that said attorneys-in-fact or their substitutes may do or cause to be done by virtue hereof.

WITNESS our hands on this twentieth day of October, 1993.

/s/Edward C. Johnson 3d /s/Peter S. Lynch

Edward C. Johnson 3d Peter S. Lynch

/s/J. Gary Burkhead /s/Edward H. Malone

J. Gary Burkhead   Edward H. Malone

/s/Richard J. Flynn   /s/Gerald C. McDonough

Richard J. Flynn   Gerald C. McDonough

/s/E. Bradley Jones   /s/Thomas R. Williams

E. Bradley Jones   Thomas R. Williams

/s/Donald J. Kirk

Donald J. Kirk

POWER OF ATTORNEY

I, the undersigned President and Director, Trustee or General Partner, as the case may be, of the following investment companies:

<TABLE>
<CAPTION>

<S>	<C>
Fidelity Advisor Series I	Fidelity Institutional Trust
Fidelity Advisor Series II	Fidelity Investment Trust
Fidelity Advisor Series III	Fidelity Magellan Fund
Fidelity Advisor Series IV	Fidelity Massachusetts Municipal Trust
Fidelity Advisor Series V	Fidelity Money Market Trust
Fidelity Advisor Series VI	Fidelity Mt. Vernon Street Trust
Fidelity Advisor Series VII	Fidelity Municipal Trust
Fidelity Advisor Series VIII	Fidelity New York Municipal Trust
Fidelity California Municipal Trust	Fidelity Puritan Trust
Fidelity Capital Trust	Fidelity School Street Trust
Fidelity Charles Street Trust	Fidelity Securities Fund
Fidelity Commonwealth Trust	Fidelity Select Portfolios
Fidelity Congress Street Fund	Fidelity Sterling Performance Portfolio, L.P.
Fidelity Contrafund	Fidelity Summer Street Trust
Fidelity Corporate Trust	Fidelity Trend Fund
Fidelity Court Street Trust	Fidelity U.S. Investments-Bond Fund, L.P.
Fidelity Destiny Portfolios	Fidelity U.S. Investments-Government Securities Fund, L.P.
Fidelity Deutsche Mark Performance Portfolio, L.P.	Fidelity Union Street Trust
Fidelity Devonshire Trust	Fidelity Yen Performance Portfolio, L.P.
Fidelity Exchange Fund	Spartan U.S. Treasury Money Market Fund
Fidelity Financial Trust	Variable Insurance Products Fund
Fidelity Fixed-Income Trust	Variable Insurance Products Fund II
Fidelity Government Securities Fund	
Fidelity Hastings Street Trust	
Fidelity Income Fund	

</TABLE>

plus any other investment company for which Fidelity Management & Research Company acts as investment adviser and for which the undersigned individual serves as President and Board Member (collectively, the "Funds"), hereby severally constitute and appoint J. Gary Burkhead, my true and lawful attorney-in-fact, with full power of substitution, and with full power to sign for me and in my name in the appropriate capacity, all Pre-Effective Amendments to any Registration Statements of the Funds, any and all subsequent Post-Effective Amendments to said Registration Statements, any Registration Statements on Form N-14, and any supplements or other instruments in connection therewith, and generally to do all such things in my name and behalf in connection therewith as said attorney-in-fact deem necessary or appropriate, to comply with the provisions of the Securities Act of 1933 and Investment Company Act of 1940, and all related requirements of the Securities and Exchange Commission. I hereby ratify and confirm all that said attorneys-in-fact or their substitutes may do or cause to be done by virtue hereof.

WITNESS my hand on the date set forth below.

/s/Edward C. Johnson 3d   October 20, 1993

Edward C. Johnson 3d

EXHIBIT 24(A)(1)

SPARTAN(Registered trademark)

(Registered trademark)
NEW JERSEY
MUNICIPAL
HIGH YIELD
PORTFOLIO

ANNUAL REPORT
NOVEMBER 30, 1993
CONTENTS

PRESIDENT'S MESSAGE

DEAR SHAREHOLDER:

Once the new year begins, many people start reviewing their finances and calculating their tax bills. No one wants to pay more taxes than they have to. But a recent survey of 500 U.S. households, conducted by Fidelity and Yankelovich Partners, showed that few people have taken steps to reduce their taxes under the new legislation. Many were not even aware that the new tax laws were retroactive to January 1993.

Whether or not you're someone whose tax bill will increase as a result of these changes, it may make sense to consider ways to keep more of what you earn.

First, if your employer offers a 401(k) or 403(b) retirement savings plan, consider enrolling. These plans are set up so you can make regular contributions -
before taxes - to a retirement savings plan. They offer a disciplined savings strategy, the ability to accumulate earnings tax-deferred, and immediate tax savings. For example, if you earn $40,000 a year and contribute 7% of your salary to your 401(k) plan, your annual contribution is $2,800. That reduces your taxable income to $37,200 and, if you're in the
28% tax bracket, saves you $784 in Federal taxes. In addition, you pay no taxes on any earnings until withdrawal.

It may be a good idea to contact your benefits office as soon as possible to find out when you can enroll or increase your contribution. Most employers allow employees to make changes only a few times each year.

Second, consider an IRA. Many people are eligible to make an IRA contribution (up to $2,000) that is fully tax deductible. That includes people who are not covered by company pension plans, or those within certain income brackets. Even if you don't qualify for a fully deductible contribution, any IRA earnings will grow tax-deferred until withdrawal.

Third, consider tax-free investments like municipal bonds and municipal bond funds. Often these can provide higher after-tax yields than comparable taxable investments. For example, if you're in the new 36% Federal income tax bracket and invest $10,000 in a taxable investment yielding 7%, you'll pay $252 in Federal taxes and receive $448 in income. That same $10,000 invested in a tax-free bond fund yielding 5.5% would allow you to keep $550 in income.

These are three investment strategies that could help lower your tax bill in 1994. If you're interested in learning more, please call us at 1-800-544-8888 or visit a Fidelity Investor Center.

Wishing you a prosperous new year,

Edward C. Johnson 3d, Chairman

PERFORMANCE: THE BOTTOM LINE

There are several ways to evaluate a fund's historical performance. You can look at the total percentage change in value, the average annual percentage change, or the growth of a hypothetical $10,000 investment. Each figure includes changes in a fund's share price, reinvestment of any dividends (or income) and capital gains (the profits the fund earns when it sells bonds that have grown in value), and the effect of the $5 account closeout fee. You can also look at the fund's income. If Fidelity had not reimbursed certain fund expenses during the periods shown, the total returns, dividends and yields would have been lower.

CUMULATIVE TOTAL RETURNS

PERIODS ENDED NOVEMBER 30, 1993	PAST 1 YEAR	PAST 5 YEARS	LIFE OF FUND
Spartan New Jersey Municipal High Yield Portfolio	12.11%	62.48%	77.00%
Lehman Brothers Municipal Bond Index	11.08%	61.12%	75.70%
Average New Jersey Tax-exempt Municipal Bond Fund	11.72%	61.51%	79.34%
Consumer Price Index	2.68%	21.20%	26.34%

CUMULATIVE TOTAL RETURNS reflect actual performance over a set period - in this case, one year, five years or since the fund started on January 1, 1988. For example, if you invested $1,000 in a fund that had a 5% return over the past year, you would end up with $1,050. You can compare these figures to the performance of the Lehman Brothers Municipal Bond index - a broad gauge of the municipal bond market. To measure how the fund stacked up against its peers, you can look at the average New Jersey tax-exempt municipal fund, which reflects the performance of 31 New Jersey municipal bond funds tracked by Lipper Analytical Services. Both benchmarks include reinvested dividends and capital gains, if any. Comparing the fund's performance to the consumer price index helps show how your fund did compared to inflation.

AVERAGE ANNUAL TOTAL RETURNS PERIODS ENDED NOVEMBER 30, 1993	PAST 1 YEAR	PAST 5 YEARS	LIFE OF FUND
Spartan New Jersey Municipal High Yield Portfolio	12.11%	10.19%	10.12%
Lehman Brothers Municipal Bond Index	11.08%	10.01%	9.99%
Average New Jersey Tax-exempt Municipal Bond Fund	11.72%	10.06%	10.38%
Consumer Price Index	2.68%	3.92%	4.03%

AVERAGE ANNUAL TOTAL RETURNS take the fund's actual (or cumulative) return and show you what would have happened if the fund had performed at a constant rate each year.

$10,000 OVER LIFE OF FUND

	Spartan NJ	LB Muni
01/01/88	10000.00	10000.00
01/31/88	10382.99	10356.20
02/29/88	10489.58	10465.67
03/31/88	10108.41	10343.74
04/30/88	10162.42	10422.35
05/31/88	10195.16	10392.23
06/30/88	10424.31	10544.27
07/31/88	10490.37	10613.02
08/31/88	10515.89	10622.36
09/30/88	10760.93	10814.62
10/31/88	11060.18	11005.50
11/30/88	10893.59	10904.69
12/31/88	11089.94	11016.25
01/31/89	11261.41	11244.06
02/28/89	11131.82	11115.77
03/31/89	11142.30	11089.20
04/30/89	11470.47	11352.46
05/31/89	11712.36	11588.25
06/30/89	11899.59	11745.62
07/31/89	12030.89	11905.47
08/31/89	11882.88	11788.92
09/30/89	11837.44	11753.55
10/31/89	12002.50	11896.95
11/30/89	12181.54	12105.14
12/31/89	12237.61	12204.41
01/31/90	12116.04	12147.04
02/28/90	12239.41	12255.15
03/31/90	12260.71	12258.83
04/30/90	12101.33	12170.57
05/31/90	12416.90	12435.88
06/30/90	12542.36	12545.32
07/31/90	12738.81	12729.74
08/31/90	12493.09	12545.16
09/30/90	12573.56	12552.68
10/31/90	12751.56	12779.89
11/30/90	13053.06	13036.76
12/31/90	13111.66	13094.12
01/31/91	13270.57	13269.58
02/28/91	13355.11	13385.03
03/31/91	13389.35	13390.38
04/30/91	13575.50	13568.48
05/31/91	13686.76	13689.24
06/30/91	13684.33	13675.55
07/31/91	13910.27	13842.39
08/31/91	14075.10	14025.11
09/30/91	14253.49	14207.43
10/31/91	14405.60	14335.30
11/30/91	14441.04	14375.44
12/31/91	14728.41	14684.51

01/31/92	14753.13	14718.29
02/29/92	14761.20	14722.70
03/31/92	14733.41	14728.59
04/30/92	14852.05	14859.68
05/31/92	15067.78	15035.02
06/30/92	15308.14	15287.61
07/31/92	15854.11	15746.24
08/31/92	15632.74	15591.92
09/30/92	15697.06	15693.27
10/31/92	15375.33	15539.48
11/30/92	15787.98	15817.63
12/31/92	16010.91	15978.97
01/31/93	16206.24	16164.33
02/28/93	16838.39	16749.48
03/31/93	16627.16	16571.93
04/30/93	16820.45	16739.31
05/31/93	16957.57	16833.05
06/30/93	17267.40	17114.16
07/31/93	17270.95	17136.41
08/31/93	17674.72	17492.85
09/30/93	17885.81	17692.27
10/31/93	17892.26	17725.88
11/30/93	17701.63	17569.89

$10,000 OVER LIFE OF FUND: Let's say you invested $10,000 in Spartan New Jersey Municipal High Yield Portfolio on January 1, 1988, when the fund started. As the chart shows, by November 30, 1993, the value of your investment would have grown to $17,702 - a 77.02% increase on your initial investment. This assumes you still own the fund on November 30, and therefore does not include the effect of the $5 account closeout fee. For comparison, look at how the Lehman Brothers Municipal Bond index did over the same period. With dividends reinvested, the same $10,000 would have grown to $17,570 - a 75.70% increase.

UNDERSTANDING PERFORMANCE

How a fund did yesterday is no guarantee of how it will do tomorrow. Bond prices, for example, move in the opposite direction of interest rates. In turn, the share price, return, and yield of a fund that invests in bonds will vary. That means if you sell your shares during a market downturn, you might lose money. But if you can ride out the market's ups and downs, you may have a gain.

(checkmark)

INCOME

YEARS ENDED NOVEMBER 30,	1993	1992	1991
Income return	5.99%	6.59%	6.87%
Capital gain returns	1.51%	.74%	0%
Change in share price	4.61%	1.99%	3.75%
Total return	12.11%	9.32%	10.62%

Income returns, capital gain returns, and changes in share price are all part of a bond fund's total return. An income return reflects the dividends paid by the fund. A capital gain return reflects the amount paid by the fund to shareholders based on the profits it has from selling bonds that have grown in value. Both returns assume the dividends or gains are reinvested. Changes in the fund's share price include changes in the prices of the bonds owned by the fund. Change in share price and total return figures include the effect of the $5 account closeout fee on an average size account.

DIVIDENDS AND YIELD

PERIODS ENDED NOVEMBER 30, 1993	PAST 30 DAYS	PAST 6 MONTHS	PAST 1 YEAR
Dividends per share	n/a	31.61(cents)	63.95(cents)
Annualized dividend rate	n/a	5.33%	5.50%
Annualized yield	5.06%	n/a	n/a
Tax-equivalent yield	8.50%	n/a	n/a

Dividends per share show the income paid by the fund for a set period. If you annualize this number, based on an average share price of $11.83 over the past six months and $11.62 over the past year, you can compare the fund's income over these two periods. The 30-day annualized yield is a standard formula for all funds based on the yields of the bonds in the fund, averaged over the past 30 days. This figure shows you the yield characteristics of the fund's investments at the end of the period. It also helps you compare funds from different companies on an equal basis. The tax-equivalent yield shows what you would have to earn on a taxable investment to equal the fund's tax-free yield, if you're in the 40.48% combined federal and state tax bracket.

FUND TALK: THE MANAGER'S OVERVIEW

An interview with David Murphy,
Portfolio Manager of Spartan New
Jersey Municipal High-Yield Portfolio

Q. DAVID, HOW DID THE FUND DO?

A. Aside from November, when inflation fears pushed down bond prices, the fund had a pretty good year. Total return for the year ended November 30, 1993 was 12.11%. That was slightly ahead of the average New Jersey tax-exempt municipal bond fund, which returned 11.72%, according to Lipper Analytical Services.

Q. WHAT DROVE THE FUND'S PERFORMANCE?

A. During most of this past year interest rates were falling, although slowly. For example, 30-year AAA-rated municipal bonds were yielding an average of 6.10% on November 30, 1992. One year later, these same bonds had yields averaging 5.35%. When rates dropped, bond prices rose, providing the fund with substantial price gains.

Q. HOW DID YOU INVEST THE FUND TO TAKE ADVANTAGE OF FALLING RATES?

A. Primarily by buying non-callable and discount bonds - 30.8% of the fund at the end of November. Most municipal bonds have a call feature that allows the issuer to redeem them early. With non-callable bonds, I can lock into a coupon (or stated interest rate) for a longer period of time. Discount bonds are purchased below face value, which means they have more room for price gains when rates drop. Zero-coupon bonds - now about 10% of the fund - combine the best features of both. I buy them at a discount and they're non-callable, which makes their prices particularly sensitive to changes in interest rates. They were far and away the fund's best performers.

Q. BECAUSE THE PRICES OF ZERO-COUPON BONDS CAN BE VOLATILE, AREN'T THEY MORE RISKY?

A. Yes. If interest rates had risen, their prices may have fallen further than any other bonds in the fund. But I took steps to offset that risk. Over the past year, I reduced the number of bonds with maturities longer than 20 years from 48% of the fund to 41%. I also had 45% of the fund's investments in 10- to 20- year bonds on November 30. The yield curve has flattened this year, which means the difference in yield between long- and short-term bonds has narrowed. At the end of November, a 30-year AAA-rated municipal bond was yielding only .25% more than a 15-year issue. I didn't think that was a big enough reward for the added risk of a longer maturity. By leaning toward the 10- to 20-year bonds, I was able to secure strong yields, while reducing risk.

Q. IS NEW JERSEY'S ECONOMY LOOKING UP?

A. Slowly. The state's recovery is still lagging the rest of the nation, but there are bright spots. A stronger economy has gradually helped issuers' creditworthiness - their ability to meet principal and interest payments. Over the past year, that has prompted me to boost state and local general obligation bonds to about 15% of the fund's investments. These are bonds backed by tax revenues, which should increase as New Jersey's economy picks up.

Q. IN TERMS OF SECTORS, WHERE HAVE YOU FOUND THE BEST INVESTING OPPORTUNITIES?

A. I've increased the fund's stake in transportation bonds to 19.4%, up from 10.3% a year ago. Most of these were bonds issued by the New Jersey Turnpike Authority and the Garden State Parkway Authority. Because of the sheer volume of debt in this sector, both authorities were forced to issue bonds with yields that were high enough to attract investors; including some non-callable bonds, which I discussed earlier. I saw this as an opportunity to stock up on non-callables, which helped the fund.

Health-care bonds - the fund's third largest sector investment at 14.8% - have improved in performance. With health-care reform close at hand, careful research has shown some hospitals appear to be better positioned than others to do well. We've sought out those issues that combine high yields and the potential for credit upgrades.

Q. AND BETS THAT DIDN'T PAY OFF?

A. Housing was a disappointment. I reduced the fund's stake in housing only about 2% from a year ago, leaving 8% of the fund's investments in this sector at the end of November. In hindsight, I should have cut back more. Many housing bonds were hurt by prepayments, which happened when homeowners refinanced their mortgages.

Q. HAVE YOU KEPT THE FUND WEIGHTED TOWARD HIGH QUALITY BONDS?

A. Yes. As of November 30, 87.6% of the fund's bonds were rated "A" or better by Fidelity's own credit analysts or by one of the bond rating agencies. Because the recession hit New Jersey harder than the rest of the nation, I've been concerned about the creditworthiness of issuers. However, as New Jersey's economy improves, I'll be looking to add more BBB-rated bonds. They offer attractive yields and the opportunity for credit upgrades, as issuers improve their fiscal health.

Q. WHAT DO YOU SEE AS YOU LOOK OUT SIX MONTHS?

A. In November we saw a pretty sharp decline in bond prices as interest rates spiked upward based on fears of inflation. But I believe this movement is temporary. I think economic growth will remain only moderate in the first half of '94, which should help keep interest rates within a narrow range. Also, the tax-exempt bond market is very dependent upon supply and demand, and the supply of new municipal issues in New Jersey appears to be tailing off. If demand remains fairly level, bond prices could rise, which would create a favorable investing environment for the fund. I plan on keeping the fund's duration - which measures its sensitivity to changes in interest rates - fairly long.

Q. HOW IS PRESIDENT CLINTON'S PACKAGE OF HIGHER TAXES AFFECTING DEMAND FOR TAX-FREE BONDS?

A. It has kept demand high over the past year, and I don't see a drop off on the horizon. I think there are still some folks in upper-income tax brackets who haven't fully realized how much their taxes have gone up. New Jersey joint filers in the 36% federal tax bracket now have an effective rate - state and federal taxes combined - of 40.48%, while those in the 39.6% federal bracket are now paying a total of 43.83% of their income in taxes. It'll hit many people during tax season, and I think this "awakening" may help sustain the high demand for tax-free bonds.

FUND FACTS

GOAL: to provide high current income exempt from New Jersey state and federal income taxes

START DATE: January 1, 1988

SIZE: as of November 30, 1993, over $422 million

MANAGER: David Murphy, since April 1991; manager, Spartan Short-Intermediate Municipal and Fidelity Limited Term Municipal, since December 1989; Fidelity New York Insured, since October 1992; Spartan Intermediate Municipal, since April 1993

(checkmark)

DAVID MURPHY ON SUPPLY AND DEMAND OF NEW JERSEY MUNICIPAL BONDS:

"In 1993, almost two-thirds of New Jersey municipal bonds were issued through a process known as prerefunding. This involves selling new lower-interest bonds, investing the proceeds in short-term government securities, and paying off the old bonds at the earliest opportunity. Essentially this wipes old, higher interest debt off the balance sheet. Because issuers can only do this one time for municipal bonds, I expect prerefunding to slow down dramatically in '94. This could cut the supply of muni bonds in half. A lower supply and constant demand would help push bond prices higher. That's why I'm optimistic about the municipal bond environment in the coming year.

(bullet) On November 30, 1993, general obligation bonds - those backed by tax revenues - - were 14.9% of the fund. That's up from 13.2% six months ago.

(bullet) During the past year, the fund's share price has fluctuated between $11.18 and $11.99."

DISTRIBUTIONS:

The Board of Trustees of Fidelity Court Street Trust: Spartan New Jersey Municipal High Yield Portfolio voted to pay on December 20, 1993, to shareholders of record at the opening of business on December 17, 1993 a distribution of $.15 derived from capital gains realized from sales of portfolio securities.

INVESTMENT CHANGES

TOP FIVE SECTORS AS OF NOVEMBER 30, 1993

	% OF FUND'S INVESTMENTS	% OF FUND'S INVESTMENTS IN THESE SECTORS 6 MONTHS AGO
Transportation	19.4	13.2
General Obligation	14.9	13.2
Health Care	14.8	15.7
Industrial Development	9.9	11.8

Escrowed/Prerefunded 8.7 8.8

AVERAGE YEARS TO MATURITY AS OF NOVEMBER 30, 1993
6 MONTHS AGO

Years 19.4 18.6

AVERAGE YEARS TO MATURITY SHOWS THE AVERAGE TIME UNTIL THE PRINCIPAL OF THE BONDS IN THE FUND IS EXPECTED TO BE REPAID, WEIGHTED BY DOLLAR AMOUNT.
DURATION AS OF NOVEMBER 30, 1993
6 MONTHS AGO

Years 8.4 7.4

DURATION SHOWS HOW MUCH A BOND'S PRICE FLUCTUATES WITH CHANGES IN INTEREST RATES. IF RATES RISE 1%, FOR EXAMPLE, THE SHARE PRICE OF A FUND WITH A FIVE-YEAR DURATION WILL FALL 5%.
QUALITY DIVERSIFICATION AS OF NOVEMBER 30, 1993
(MOODY'S RATINGS)
Aaa 28%
Aa, A 53%
Baa 12%
Non-rated 7%
Row: 1, Col: 1, Value: 28.0
Row: 1, Col: 2, Value: 53.0
Row: 1, Col: 3, Value: 12.0
Row: 1, Col: 4, Value: 7.0
THIS CHART EXCLUDES SHORT-TERM INVESTMENTS. WHERE MOODY'S RATINGS ARE NOT AVAILABLE, WE HAVE USED S&P RATINGS.
INVESTMENTS NOVEMBER 30, 1993

Showing Percentage of Total Value of Investments

MUNICIPAL BONDS - 98.6%
MOODY'S
RATINGS (D) PRINCIPAL VALUE
(UNAUDITED) AMOUNT (NOTE 1)
NEW JERSEY - 84.6%
Atlantic County Ctfs. of Prtn. (Pub. Facs. Lease
Agreement) (FGIC Insured):
7.40% 3/1/07 Aaa $ 3,035,000 $ 3,649,587 048490AR
7.40% 3/1/08 Aaa 3,260,000 3,920,150 048490AS
Atlantic County Impt. Auth. Luxury Tax Rev.
(Convention Ctr.) (MBIA Insured):
7.375% 7/1/10 Aaa 1,000,000 1,211,250 048503AT
7.40% 7/1/16 Aaa 3,510,000 4,391,887 048503AU
Bergen County Util. Auth. Wtr. Poll. Cont. Rev.
Series B, 5.75% 12/15/05, (FGIC Insured) Aaa 1,870,000 1,996,224
083791BE
Burlington County Bridge Commission Bridge
System Rev., 5.30% 10/1/13 Aa 2,000,000 1,972,500 121646AN
Camden County Muni. Util. Auth. Swr. Rev.
Series A, 0% 9/1/16, (FGIC Insured) Aaa 5,000,000 1,406,250 132813CJ
(Cap. Appreciation) (FGIC Insured):
Series A: 132813BY
0% 9/1/11 Aaa 3,500,000 1,325,624 132813BY
0% 9/1/17 Aaa 9,930,000 2,643,862 132813CM
0% 9/1/18 Aaa 1,375,000 345,468 132813CQ
Series B: 132813CH
0% 9/1/15 Aaa 2,500,000 750,000 132813CH
0% 9/1/16 Aaa 16,300,000 4,584,374 132813CK
Camden Gen. Oblig. Fiscal Adjustment
0% 2/15/07, (FSA Insured) Aaa 4,000,000 1,960,000 133051QE
Cape May County Ind. Poll. Cont. Fing. Auth.
Rev. Rfdg. (Atlantic City Elec. Co.) Series A,
6.80% 3/1/21, (MBIA Insured) Aaa 2,550,000 3,072,750 139525AC
Cape May Muni. Utils. Auth. Rfdg.:
Series A, 5.75% 1/1/16, (MBIA Insured) Aaa 2,000,000 2,057,500 139532DH
Series B, 4.90% 1/1/09 (FGIC Insured) Aaa 4,735,000 4,569,275 139532DW
Edison Township School Unltd. Tax 6.50% 6/1/11 A1 1,000,000 1,138,750

281047TQ
Essex County Impt. Auth. Rev. (East Orange School Dist.)
Series A: 296809EU
5.50% 11/1/04 A1 500,000 1,560,000 296809ET
5.60% 11/1/05 A1 250,000 1,303,125 296809EU
5.70% 11/1/06 A 1,600,000 1,670,000 296809EV
5.80% 11/1/07 A 1,000,000 1,046,250 296809EX
Gloucester County Impt. Auth. Solid Waste
Resources Recovery Rev. (SES Gloucester
Co. LP Proj.) Series A, 8.125% 7/1/10 Aa3 1,175,000 1,316,000 37970QAR
MUNICIPAL BONDS - CONTINUED
MOODY'S
RATINGS (D) PRINCIPAL VALUE
(UNAUDITED) AMOUNT (NOTE 1)
NEW JERSEY - CONTINUED
Hudson County 5.125% 8/1/08 A+ $ 3,000,000 $ 2,891,250 443726SC
Hudson County Impt. Auth. (Essential Purp.
Pooled Gov't. Loan Prog.): 443728AG
6.625% 8/1/25 A+ 4,000,000 4,390,000 443728AJ
7.60% 8/1/25 A 5,275,000 6,026,688 443728AG
Jersey City Series B, (FSA Insured): 476575CS
0% 5/15/07 Aaa 4,740,000 2,292,975 476575CU
0% 5/15/11 Aaa 3,500,000 1,303,750 476575CS
Jersey City Swr. Auth. Rev., Rfdg. 6% 1/1/09
(AMBAC Insured) Aaa 1,000,000 1,072,500 476646GG
Keansburg Board of Ed. Ctfs. of Prtn. 8% 11/1/14
(Pre-Refunded to 11/1/99 @ 102) BBB- 1,500,000 1,758,750 486737AM
Lacey Muni. Util. Auth. Wtr. Rev., Rfdg.
Series A, Cap. Appreciation (MBIA Insured):
0% 12/1/08 Aaa 1,400,000 623,000 50547PBZ
0% 12/1/09 Aaa 1,400,000 588,000 50547PCA
0% 12/1/10 Aaa 1,400,000 551,250 50547PCB
Lenape Regional High School Dist. Unltd. Tax (MBIA Insured):
7.625% 1/1/13 Aaa 675,000 854,719 525876HD
7.625% 1/1/14 Aaa 1,000,000 1,273,750 525876HE
Mercer County Impt. Auth. Rev. Rfdg.
(Cap. Appreciation Solid Waste County Guaranteed):
0% 4/1/08 Aa1 6,000,000 2,730,000 587844MZ
0% 4/1/09 Aa1 6,500,000 2,811,250 587844NA
0% 4/1/10 Aa1 3,000,000 1,218,750 587844NB
0% 4/1/11 Aa1 3,500,000 1,343,125 587844NC
0% 4/1/12 Aa1 7,000,000 2,520,000 587844ND
0% 4/1/13 Aa1 7,000,000 2,388,750 587844NE
Mercer County Impt. Auth. Rev. Rfdg.
(Site & Disposal Facs. Proj.) 0% 4/1/09 Aa1 5,155,000 2,210,206
587844RA
Mercer County Impt. Auth. Rev. (Courthouse Proj.)
5.20% 11/1/10 Aa1 1,220,000 1,203,225 587844ZK
Mercer County Impt. Rev. Regional Sludge Proj.
5.20% 12/15/09 (FGIC Insured) Aaa 3,040,000 3,002,000 587844A3
Middlesex County Poll. Cont. Auth. Rev. Rfdg.
(Fing. Poll.) (Amerada Hess Corp.) :
7.875% 6/1/22(c) Aaa 7,750,000 8,311,875 596570AE
6.875% 12/1/22 - 5,000,000 5,425,000 596570AF
Middlesex County Util. Auth. Solid Waste Sys.
Rev. 5% 12/1/94, (FGIC Insured) Aaa 3,000,000 3,060,000 596590AC
Monmouth County Impt. Auth. Wastewtr.
Treatment Facs. Rev. (Asbury Park Proj.)
7.375% 12/1/09 Baa 1,000,000 1,090,000 609566BQ
MUNICIPAL BONDS - CONTINUED
MOODY'S
RATINGS (D) PRINCIPAL VALUE
(UNAUDITED) AMOUNT (NOTE 1)
NEW JERSEY - CONTINUED
New Jersey Bldg. Auth. Bldg. Rev. 7.50% 6/15/09 Aa $ 1,700,000 $ 1,952,875
645771CX
New Jersey Econ. Dev. Auth. Econ. Dev. Rev.: 645775M3
Rfdg. (Holt Hauling & Warehouse)
8.60% 12/15/17(b) - 9,000,000 9,483,750 64577MLK
Rfdg. (Stolt Term. Proj.) 10.50% 1/15/18 - 2,500,000 2,956,250
645775M3

(777 Pattison Ave., Inc.) 8.95% 12/15/18 - 6,140,000 6,439,325
64577MMB
(Weyerhauser Co. Proj.) 9% 11/1/04 A2 2,000,000 2,642,500 645775R8
New Jersey Econ. Dev. Auth. 1st Mtg. Gross Rev.
(Franciscan Oaks Proj.) Series A,
8.50% 10/1/23 - 4,250,000 4,356,250 645776NL
New Jersey Econ. Dev. Auth. Poll. Cont. Rev.
(Central Pwr. & Lt.) 7.10% 7/1/15 A2 1,415,000 1,590,106 645778AS
New Jersey Edl. Facs. Fing. Auth. Rev.:
Rfdg. (Trenton State College) Series E, 6% 7/1/09,
(AMBAC Insured) Aaa 4,795,000 5,058,725 6460553W
(Ramapo College) Series B, 7.70% 7/1/13
(Pre-Refunded 7/1/98 @102) A 1,000,000 1,160,000 646055SP
(Union Commty. College) Series B,
7.25% 7/1/09 A 1,000,000 1,113,750 646055VF
New Jersey Health Care Facs. Fing. Auth. Rev.; 6457922Y
Rfdg. (Atlantic City Med. Ctr.) Series C,
6.80% 7/1/11 A 4,200,000 4,551,750 64579CLC
(Barnert Mem. Hosp.) 10.625% 8/1/14,
(FHA Gauranteed) Aa 5,090,000 5,439,938 6457924C
(Bridgeton Hosp. & Millvile Hosp.) Series 1988 A,
7.875% 7/1/10, (MBIA Insured) Aaa 1,250,000 1,435,938 645793XR
(Burdette Tomlin Mem. Hosp.) Series D (FGIC Insured): 64579CFA
6% 7/1/02 Aaa 1,715,000 1,852,200 64579CFA
6.25% 7/1/06 Aaa 1,710,000 1,838,250 64579CFE
(Cathedral Health) Series A, 7.25% 2/15/21 Aa 3,130,000 3,458,650
6457937C
(East Orange Gen. Hosp.) Series B, 7.75%
7/1/20 BBB+ 2,450,000 2,756,250 6457935F
(Elizabeth Gen'l. Med. Ctr.) Series C: 645793V7
7.10% 7/1/99 Baa1 1,125,000 1,229,063 645793V7
7.25% 7/1/06 Baa1 1,975,000 2,137,938 645793W3
(Helene Fuld Med. Ctr.) Series C,
8.125% 7/1/13 A 1,000,000 1,126,250 645793XA
(Holy Name Hosp.) Series A, 6.875% 7/1/04 Aaa 1,960,000 2,175,600
645793N5
(Jersey Shore Med. Ctr.) Series B, 8% 7/1/18,
(AMBAC Insured) Aaa 1,905,000 2,202,656 645793WE
(Kennedy Mem. Hosp. - Univ. Med. Ctr.)
Series D, 7.875% 7/1/09 A 3,000,000 3,311,250 645793UF
(Kimball Med. Ctr.) Issue C, 8% 7/1/13 Baa 2,900,000 3,211,750
6457933M
(Lady of Lourdes Med. Ctr.) Series B,
9.75% 2/1/15, (FHA Gauranteed) Aa 170,000 184,025 6457925H
MUNICIPAL BONDS - CONTINUED
MOODY'S
RATINGS (D) PRINCIPAL VALUE
(UNAUDITED) AMOUNT (NOTE 1)
NEW JERSEY - CONTINUED
New Jersey Health Care Facs. Fing. Auth. Rev - continued 6457922Y
(Millville Hosp.) Series A, 10.625% 8/1/14,
(FHA Gauranteed) A- $ 150,000 $ 160,313 6457922Y
(Mountainside Hosp.) Series A, 9% 8/1/25
(Pre-Refunded 8/1/95 @102) Aa 3,165,000 3,505,238 645793AC
(Muhlenberg Regional Med. Ctr.) Series B,
8% 7/1/18, (AMBAC Insured) Aaa 2,000,000 2,312,500 645793VN
(Newcombe Med. Ctr.) Series A,
7.875% 7/1/03 Baa 3,950,000 4,419,063 6457932F
(Pascack Valley Hosp.) Series 1991,
6.70% 7/1/11 A- 5,500,000 5,823,125 64579CGK
(St. Elizabeth Hosp.) Series B, 8.25% 7/1/20 Baa 8,500,000 9,445,625
6457935U
(St. Francis Hosp. - Franciscan Sisters)
9.25% 7/1/12 Baa 500,000 531,250 645793EH
(St. Peters Med. Ctr.) Series F: 64579CRD
4.70% 7/1/06 (MBIA Insured) Aaa 2,000,000 1,900,000 64579CRD
4.80% 7/1/08 (MBIA Insured) Aaa 2,000,000 1,890,000 64579CRF
(Wayne Gen. Hosp.) Series A, 10.75% 8/1/24,
(FHA Gauranteed) Aa 250,000 265,313 6457923B
New Jersey Gen. Oblig. Rfdg.
Series D 6% 2/15/11 Aa1 3,500,000 3,797,500 646038WK

New Jersey Gen. Oblig. Rfdg. (Cap. Appreciation)
Series D, 0% 2/15/04 Aa1 5,335,000 3,234,344 646038WS
New Jersey Gen. Oblig. Rfdg. Unltd. Tax
Series D, 0% 2/15/06 Aa1 6,445,000 3,480,300 646038WU
New Jersey Hwy. Auth. Garden State Parkway
Gen. Rev. (Sr. Parkway):
6.10% 1/1/06 A1 2,750,000 2,945,938 646088FG
6.20% 1/1/10 A1 19,000,000 21,042,500 646088FP
6% 1/1/19, Escrowed to Maturity Aaa 4,485,000 4,911,075 646088GA
New Jersey Hsg. Fin. Agcy. (Gen. Resolution
Section 8) Series A: 646109CE
6.90% 11/1/07 AA+ 2,670,000 2,880,263 646109CE
6.95% 11/1/08 AA+ 2,265,000 2,443,369 646109CF
7% 11/1/09 AA+ 2,855,000 3,079,831 646109CG
7.05% 11/1/10 AA+ 3,500,000 3,780,000 646109CH
7.10% 11/1/11 AA+ 3,000,000 3,247,500 646109CJ
New Jersey Hsg. & Mtg. Fin. Agcy. (Home Buyer)
Series B, 7.90% 10/1/22,
(MBIA Insured) (b) Aaa 1,875,000 2,003,906 646128S2
New Jersey Hsg. & Mtg. Fin. Custodial Receipts
Secondary Series 1, 9.088%
11/1/07(e) A+ 5,000,000 5,325,000 6461286B
MUNICIPAL BONDS - CONTINUED
MOODY'S
RATINGS (D) PRINCIPAL VALUE
(UNAUDITED) AMOUNT (NOTE 1)
NEW JERSEY - CONTINUED
New Jersey Tpk. Auth. Tpk. Rev. Rfdg.: 646139CF
10.375% 1/1/03 (Escrowed to Maturity)(b) AAA $ 11,160,000 $ 14,215,050
646139CF
Series C: 646139JP
6.50% 1/1/09 A 6,700,000 7,545,875 646139JU
6.50% 1/1/16 A 14,225,000 16,287,625 646139JP
New Jersey Wastewtr. Treatment Trust Loan Rev: 646148HA
6.875% 6/15/06 Aa 1,320,000 1,463,550 646148HA
6.875% 6/15/09 Aa 2,500,000 2,784,375 646148HD
7% 6/15/10 Aa 1,750,000 1,960,000 646148HE
Ocean County Utils. Auth. Wastewtr. Rev. Rfdg.
Series B, 5.75% 1/1/18 Aa 4,855,000 4,958,169 674758EV
Pennsauken Township Board of Ed. Ctfs. of Prtn.
7.75% 7/15/09, (MBIA Insured) Aaa 500,000 578,125 708478AQ
Sayreville Hsg. Dev. Corp. Mtg. Rev. Rfdg.
(Lakeview) Section 8, 7.75% 8/1/24,
(FHA Guaranteed) AAA 2,500,000 2,631,250 805796AE
South Jersey Port Corp. Rev. Rfdg. (Marine Term.)
Series G, 5.60% 1/1/23 A+ 2,875,000 2,885,781 838530EQ
Stony Brook Regional Swr. Auth. Rev.
Series A, 7.40% 12/1/09 Aa 1,000,000 1,171,250 862070DU
Union County Utils. Auth. Solid Waste Rev.(b): 906365AY
Series A: 906365AT
6.95% 6/15/03(b) A- 9,000,000 9,877,500 906365AX
7% 6/15/04 A- 7,200,000 7,902,000 906365AY
7.15% 6/15/09 A- 1,040,000 1,131,000 906365AT
New Jersey Univ. (Medicine & Dentistry)
Series C, 7.20% 12/1/19 A 3,500,000 3,972,500 91444PAL
Wanaque Valley Reg'l. Swr. Auth. Rfdg. Series B,
5.75% 9/1/18, (AMBAC Insured) Aaa 2,000,000 2,092,500 933685BM
West New York Muni. Util. Auth. Swr. Rev. Rfdg. (Cap.
Appreciation) 0% 12/15/19, (FGIC Insured) Aaa 6,395,000 1,494,831
954710CS
357,872,012
NEW YORK & NEW JERSEY - 6.2%
New York & New Jersey Port Auth.:
Consolidated 59th Series, 7.75% 1/15/23(b) A1 1,000,000 1,058,750
733580EJ
Consolidated 83rd Series, 6.375% 10/15/17 A1 2,000,000 2,170,000
733580WF
Consolidated 85th Series, 5.375% 3/1/28 A1 9,000,000 8,898,750
733580YM
Series 61st. 8.125% 8/15/23(b) A1 2,800,000 3,031,000 733580FD
Series 62nd, 8% 12/1/23(b) A1 2,500,000 2,734,375 733580FN

Series 77th, 6.25% 1/15/27 A1 7,000,000 7,385,000 733580QR
MUNICIPAL BONDS - CONTINUED
MOODY'S
RATINGS (D) PRINCIPAL VALUE
(UNAUDITED) AMOUNT (NOTE 1)
NEW YORK & NEW JERSEY - CONTINUED
New York & New Jersey Port Auth. Spl. Oblig.
Rev. (Continental Airlines Corp./Eastern
Airlines, Inc. Proj.) 9.125% 12/1/15 Ba3 $ 700,000 $ 819,875 73358EAA
26,097,750
PUERTO RICO - 7.8%
Puerto Rico Commonwealth Hwy. Auth. Hwy. Rev.
Series Q, 6% 7/1/20 Baa1 4,000,000 4,060,000 745194QY
Puerto Rico Commonwealth Urban Renewal &
Hsg. Corp. Rfdg. 7.875% 10/1/04 Baa1 5,235,000 6,066,056 745245ES
Puerto Rico Elec. Pwr. Auth. Pwr. Rev. Rfdg.
Series M, 8% 7/1/08 Baa1 1,300,000 1,491,750 745268GZ
Puerto Rico Hsg. Fin. Corp. Rev. (Multi-Family Mtg.
Portfolio A) Series I, 7.50% 4/1/22, LOC
Puerto Rico Gov't. Dev.   AA 3,230,000 3,520,700 745270HH
Puerto Rico Infrastructure Fing. Auth. Spl. Tax
Series 1988 A, 7.75% 7/1/08 Baa1 2,255,000 2,542,513 745219AQ
Puerto Rico Pub. Bldgs. Auth. Rev. Rfdg.
Series L, 5.50% 7/1/21 Baa1 10,000,000 9,875,000 745235GJ
Puerto Rico Tel. Auth. Rev. 6.85% 1/1/03,
(AMBAC Insured) (e) Aaa 5,000,000 5,081,250 745297HT
32,637,269
TOTAL MUNICIPAL BONDS (Cost $384,165,270)   416,607,031
MUNICIPAL NOTES (A) - 1.4%

NEW JERSEY - 1.4%
New Jersey Econ. Dev. Auth. Ind. & Econ Dev.
(Casa DiBertacchi Corp. Facs.) Series 1988,
2.65%, LOC Marine Midland Bank, VRDN A-2 3,000,000 3,000,000 645777MG
New Jersey Econ. Dev. Auth. Rev.:
(Hoffman - La Roche Inc.) 2.15%, LOC
Bayerische Landes bank, VRDN - 1,000,000 1,000,000 645905LK
(Danic Urban Renewal Co. Proj.) Series 1985,
2.45%, LOC Marine Midland Bank, VRDN P-2 1,800,000 1,800,000 645775UQ
TOTAL MUNICIPAL NOTES (Cost $5,800,000)   5,800,000
PURCHASED OPTIONS - 0%
AMOUNTS IN THOUSANDS EXPIRATION DATE/ UNDERLYING FACE
STRIKE PRICE AMOUNT AT VALUE

Call Option on December Municipal Futures Contracts
(Cost $22,332)   Dec 1993/102 50,000 $ 30,469
TOTAL INVESTMENTS - 100% (Cost $389,987,602) $ 422,437,500

SECURITY TYPE ABBREVIATIONS
VRDN - Variable Rate Demand Notes
LEGEND
(a) The coupon rate shown on floating or adjustable rate securities represents the rate at period end.
(b) Private activity obligations whose interest is subject to the federal alternative minimum tax for individuals (AMT securities).
(c) Security purchased on a delayed delivery basis. (see Note 2 of Notes to Financial Statements).
(d) Standard & Poor's Corporation credit ratings are used in the absence of a rating by Moody's Investors Service, Inc.
(e) Inverse floating rate security is a security where the coupon is inversely indexed to a floating interest rate multiplied by a specified factor. If the floating rate is high enough, the coupon rate may be zero or be a negative amount that is carried forward to reduce future interest and/or principal payments. The price may be considerably more volatile than the price of a comparable fixed rate security.
INCOME TAX INFORMATION
At November 30,1993, the aggregate cost of investment securities for income tax purposes was $389,987,602. Net unrealized appreciation (depreciation) aggregated $32,449,898, of which $32,891,047 related to appreciated investment securities and $441,149 related to depreciated investment securities.

The fund hereby designates $488,000 as a capital gain dividend for the purpose of the dividend paid deduction.

OTHER INFORMATION

The composition of long-term debt holdings as a percentage of total value of investments for the period ended is as follows (ratings are unaudited):

MOODY'S RATINGS		S&P RATINGS	
Aaa, Aa, A	63%	AAA, AA, A	79%
Baa	11%	BBB	7%
Ba	0.1%	BB	%
B	0.0%	B	0.0%
Caa	0.0%	CCC	0.0%
Ca, C	0.0%	CC, C	0.0%
		D	0.0%

The percentage not rated by either S&P or Moody's amounted to 8%.

The distribution of municipal securities by revenue source, as a percentage of total value of investments, is as follows:

Health Care	15%
General Obligation	15
Transportation	19
Others (individually less than 10%)	51
TOTAL	100.0%

FINANCIAL STATEMENTS

STATEMENT OF ASSETS AND LIABILITIES

<TABLE>
<CAPTION>

<S> NOVEMBER 30, 1993	<C>	<C>
74.ASSETS	75.	76.
77.Investment in securities, at value (cost $389,987,602) (Notes 1 and 2) - See accompanying schedule	78.	$ 422,437,500
79.Cash	80.	52,777
81.Interest receivable	82.	8,455,141
83.Other receivables	84.	175
85. TOTAL ASSETS	86.	430,945,593
87.LIABILITIES	88.	89.
90.Payable for investments purchased		91.
92. Delayed delivery (Note 2)	$ 7,684,358	93.
94.Payable for fund shares redeemed	135,783	95.
96.Dividends payable	414,486	97.
98.Accrued management fee	191,881	99.
100. TOTAL LIABILITIES	101.	8,426,508
102.103.NET ASSETS	104.	$ 422,519,085
105.Net Assets consist of:	106.	107.
108.Paid in capital	109.	$ 384,282,309
110.Accumulated undistributed net realized gain (loss) on investments	111.	5,786,878

112.Net unrealized appreciation (depreciation) on investment securities	113.	32,449,898
114.115.NET ASSETS, for 35,927,904 shares outstanding	116.	$ 422,519,085
117.118.NET ASSET VALUE, offering price and redemption price per share ($422,519,085 (divided by) 35,927,904 shares)	119.	$11.76

</TABLE>

STATEMENT OF OPERATIONS

<TABLE>
<CAPTION>

<S> YEAR ENDED NOVEMBER 30, 1993	<C>	<C>
120.INTEREST INCOME	121.	$ 24,224,779
122.EXPENSES	123.	124.
125.Management fee (Note 4)	$ 2,193,155	
126.Non-interested trustees' compensation	2,537	
127. TOTAL EXPENSES	128.	2,195,692
129.NET INTEREST INCOME	130.	22,029,087
131.REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS (NOTES 1 AND 3) 132.Net realized gain (loss) on:	133.	134.
135. Investment securities	4,921,111	136.
137. Futures contracts	488,018	5,409,129
138.Change in net unrealized appreciation (depreciation) on investment securities	139.	16,830,884
140.NET GAIN (LOSS)	141.	22,240,013
142.NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS	143.	$ 44,269,100

</TABLE>

STATEMENT OF CHANGES IN NET ASSETS

<TABLE>
<CAPTION>

<S>	<C> YEARS ENDED NOVEMBER 30, 1993	<C> 1992
144.INCREASE (DECREASE) IN NET ASSETS		
145.Operations Net interest income	$ 22,029,087	$ 20,179,340
146. Net realized gain (loss) on investments	5,409,129	5,445,260
147. Change in net unrealized appreciation (depreciation) on investments	16,830,884	2,910,837
148.	44,269,100	28,535,437

NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS

149.Distributions to shareholders from: Net interest income	(22,029,087)	(20,179,340)
150. Net realized gain	(4,879,335)	(2,125,805)
151.Share transactions Net proceeds from sales of shares	117,264,900	117,253,146
152. Reinvestment of distributions from: Net interest income	18,107,953	17,000,352
153. Net realized gain	4,178,032	1,860,252
154. Cost of shares redeemed	(77,178,149)	(89,465,319)
155. Redemption fees (Notes 1 and 3)	52,148	63,255
156. Net increase (decrease) in net assets resulting from share transactions	62,424,884	46,711,686
157. TOTAL INCREASE (DECREASE) IN NET ASSETS	79,785,562	52,941,978
158.NET ASSETS	159.	160.
161. Beginning of period	342,733,523	289,791,545
162. End of period	$ 422,519,085	$ 342,733,523
163.OTHER INFORMATION 164.Shares	165.	166.
167. Sold	10,139,177	10,698,905
168. Issued in reinvestment of distributions from: Net interest income	1,556,067	1,526,197
169. Net realized gain	376,061	168,807
170. Redeemed	(6,628,468)	(8,200,730)
171. Net increase (decrease)	5,442,837	4,193,179

</TABLE>

FINANCIAL HIGHLIGHTS

<TABLE>
<CAPTION>

<S>	<C>	<C>	<C>	<C>	<C>
172.	YEARS ENDED NOVEMBER 30,				
173.	1993	1992	1991	1990	1989
174.SELECTED PER-SHARE DATA					
175.Net asset value, beginning of period	$ 11.240	$ 11.020	$ 10.620	$ 10.650	$ 10.190
176.Income from Investment Operations Net interest income	.640	.694	.694	.674	.710
177. Net realized and unrealized gain	.678	.298	.398	.050	.460

(loss) on investments					
178. Total from investment operations	1.318	.992	1.092	.724	1.170
179.Less Distributions From net interest income	(.640)	(.694)	(.694)	(.674)	(.710)
180. From net realized gain on investments	(.160)	(.080)	-	(.080)	-
181. Total distributions	(.800)	(.774)	(.694)	(.754)	(.710)
182.Redemption fees added to paid in capital	.002	.002	.002	-	-
183.Net asset value, end of period	$ 11.760	$ 11.240	$ 11.020	$ 10.620	$ 10.650
184.TOTAL RETURN	12.12 %	9.33 %	10.63 %	7.15 %	11.82 %
185.RATIOS AND SUPPLEMENTAL DATA					
186.Net assets, end of period (000 omitted)	$ 422,519	$ 342,734	$ 289,792	$ 209,658	$ 158,655
187.Ratio of expenses to average net assets	.55 %	.51 %	.52 %	.65 %	.56 %
188.Ratio of expenses to average net assets before expense reductions	.55 %	.56 %	.64 %	.68 %	.82 %
189.Ratio of net interest income to average net assets	5.52 %	6.22 %	6.44 %	6.47 %	6.76 %
190.Portfolio turnover rate	25 %	33 %	42 %	82 %	90 %

</TABLE>

NOTES TO FINANCIAL STATEMENTS
for the period ended November 30, 1993

1. 1. SIGNIFICANT ACCOUNTING POLICIES.
Spartan New Jersey Municipal High Yield Portfolio (the fund) is a fund of Fidelity Court Street Trust(the trust) and is authorized to issue an unlimited number of shares. The trust is registered under the Investment Company Act of 1940, as amended (the 1940 Act), as an open-end management investment company organized as a Massachusetts business trust. The following summarizes the significant accounting policies of the fund:
SECURITY VALUATION. Securities are valued based upon a computerized matrix system and/or appraisals by a pricing service, both of which consider market transactions and dealer-supplied valuations. Short-term securities maturing within sixty days are valued either at amortized cost or original cost plus accrued interest, both of which approximate current value. Securities (including restricted securities) of which quotations are not readily available through the pricing service are valued at their fair value as determined in good faith under consistently applied procedures under the general supervision of the Board of Trustees.

INCOME TAXES. As a qualified regulated investment company under Subchapter M of the Internal Revenue Code, the fund is not subject to income taxes to the extent that it distributes all of its taxable income for its fiscal year. The schedule of investments includes information regarding income taxes under the caption "Income Tax Information."

INVESTMENT INCOME. Interest income, which includes accretion of original issue discount, is accrued as earned.

EXPENSES. Most expenses of the trust can be directly attributed to a fund. Expenses which cannot be directly attributed are apportioned between the funds in the trust.

DISTRIBUTIONS TO SHAREHOLDERS. Distributions are declared daily and paid monthly from net investment income. Distributions from realized gains, if any, are recorded on the ex-dividend date.

REDEMPTION FEES. Shares held in the fund less than 180 days are subject to a redemption fee equal to .50% of the proceeds of the redeemed shares. A portion of the fee is accounted for as a reduction of transfer agent expenses. This portion of the redemption fee is used to offset the transaction costs and other expenses that short-term trading imposes on the fund and its shareholders. The remainder of the redemption fee is accounted for as an addition to paid in capital.

SECURITY TRANSACTIONS. Security transactions are accounted for as of trade date. Gains and losses on securities sold are determined on the basis of identified cost.

2. 3. OPERATING POLICIES.

DELAYED DELIVERY TRANSACTIONS. The fund may purchase or sell securities on a when-issued or forward commitment basis. Payment and delivery may take place a month or more after the date of the transaction. The price of the underlying

2. OPERATING POLICIES -
CONTINUED

DELAYED DELIVERY TRANSACTIONS -
CONTINUED

securities and the date when the securities will be delivered and paid for are fixed at the time the transaction is negotiated. The fund may receive compensation for interest forgone on entering into delayed delivery transactions. The fund identifies securities as segregated in its custodial records with a value at least equal to the amount of the purchase commitment.

FUTURES CONTRACTS AND OPTIONS. The fund may invest in futures contracts and write options. These investments involve, to varying degrees, elements of market risk and risks in excess of the amount recognized in the Statement of Assets and

Futures contracts are valued at the settlement price established each day by the board of trade or exchange on which they are traded. Options traded on an exchange are valued using the last sale price or, in the absence of a sale, the last offering price. Options traded over-the-counter are valued using dealer-supplied valuations.

4. 5. PURCHASES AND SALES OF
INVESTMENTS.

Purchases and sales of securities, other than short-term, aggregated $167,749,488 a nd $95,351,903 respectively. The face value of futures contracts opened and closed amounted to $96,304,281 and $96,304,281 respectively.

6. 7. FEES AND OTHER TRANSACTIONS WITH AFFILIATES.

MANAGEMENT FEE. As the fund's investment adviser, FMR pays all expenses except the compensation of the non-interested Trustees and certain exceptions such as interest, taxes, brokerage commissions and extraordinary expenses. FMR receives a fee that is computed daily at an annual rate of .55% of the fund's average net assets.

FMR also bears the cost of providing shareholder services to the fund. For the period, FMR or its affiliates collected certain transaction fees from shareholders which aggregated $9,745.

REPORT OF INDEPENDENT ACCOUNTANTS

To the Trustees of Fidelity Court Street Trust and the Shareholders of the Spartan New Jersey Municipal High Yield Portfolio:

We have audited the accompanying statement of assets and liabilities of Spartan New Jersey Municipal High Yield Portfolio, a portfolio of the Fidelity Court Street Trust, including the schedule of portfolio investments, as of November 30, 1993, the related statement of operations for the year then ended, the statement of changes in net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended. 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.

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 November 30, 1993, by correspondence with the custodian and brokers. 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 Spartan New Jersey Municipal High Yield Portfolio as of November 30, 1993, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended, in conformity with generally accepted accounting principles.

COOPERS & LYBRAND
Boston, Massachusetts
December 30, 1993

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10100 Santa Monica Blvd.
Los Angeles, CA
811 Wilshire Boulevard
Los Angeles, CA
251 University Avenue
Palo Alto, CA
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Sacramento, CA
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1000 Abernathy Road
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HAWAII
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Honolulu, HI
ILLINOIS
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Chicago, IL
540 Lake Cook Road
Deerfield, IL
1415 West 22nd Street
Oak Brook, IL
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Towson, MD
7401 Wisconsin Avenue
Bethesda, MD
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21 Congress Street
Boston, MA
25 State Street
Boston, MA
300 Granite Street
Braintree, MA
101 Cambridge Street
Burlington, MA
416 Belmont Street
Worcester, MA

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26955 Northwestern Hwy.
Southfield, MI
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38 South Sixth Street
Minneapolis, MN
MISSOURI
700 West 47th Street
Kansas City, MO
200 North Broadway
St. Louis, MO
NEW JERSEY
60B South Street
Morristown, NJ
501 Route 17, South
Paramus, NJ
505 Millburn Avenue
Short Hills, NJ
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New York, NY
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Milwaukee, WI

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Fidelity Management & Research
Company
Boston, MA
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Edward C. Johnson 3d, President
J. Gary Burkhead, Senior Vice President
David Murphy, Vice President
Gary L. French, Treasurer
John H. Costello, Assistant Treasurer
Arthur S. Loring, Secretary

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SERVICING AGENTS
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Kansas City, MO
and
Fidelity Service Co.
Boston, MA
CUSTODIAN
United Missouri Bank, N.A.
Kansas City, MO

Corporate Headquarters
82 Devonshire St., Boston, MA 02109
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Aggressive Tax-Free
California Tax-Free High Yield
California Tax-Free Insured
High Yield Tax-Free
Insured Tax-Free
Limited Term Municipals
Massachusetts Tax-Free High Yield
Michigan Tax-Free High Yield
Minnesota Tax-Free
Municipal Bond
New York Tax-Free High Yield
New York Tax-Free Insured
Ohio Tax-Free High Yield
Spartan Aggressive Tax-Free
Spartan California Municipal High Yield
Spartan Connecticut Municipal High Yield

Spartan Florida Municipal Income
Spartan Intermediate Municipal
Spartan Maryland Municipal Income
Spartan Municipal Income
Spartan New Jersey Municipal High Yield
Spartan New York Municipal High Yield
Spartan Pennsylvania Municipal High Yield
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Exchanges/Redemptions 1-800-544-7777
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Account Assistance 1-800-544-6666
Product Information 1-800-544-8888
Retirement Accounts 1-800-544-4774 (8 a.m. - 9 p.m.)
TDD Service 1-800-544-0111
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EXHIBIT 24(A)(2)

SPARTAN(Registered trademark)

(Registered trademark)
FLORIDA
MUNICIPAL
FUNDS

ANNUAL REPORT
NOVEMBER 30, 1993
CONTENTS

<TABLE>
<CAPTION>

</TABLE>

THIS REPORT AND THE FINANCIAL STATEMENTS CONTAINED HEREIN ARE SUBMITTED FOR THE GENERAL INFORMATION OF THE SHAREHOLDERS OF THE FUND. THIS REPORT IS NOT AUTHORIZED FOR DISTRIBUTION TO PROSPECTIVE INVESTORS IN THE FUND UNLESS PRECEDED OR ACCOMPANIED BY AN EFFECTIVE PROSPECTUS. NEITHER THE FUND NOR FIDELITY DISTRIBUTORS CORPORATION IS A BANK, AND FUND SHARES ARE NOT BACKED OR GUARANTEED BY ANY BANK OR INSURED BY THE FDIC.

PRESIDENT'S MESSAGE

DEAR SHAREHOLDER:

Once the new year begins, many people start reviewing their finances and calculating their tax bills. No one wants to pay more taxes than they have to. But a recent survey of 500 U.S. households, conducted by Fidelity and Yankelovich Partners, showed that few people have taken steps to reduce their taxes under the new legislation. Many were not even aware that the new tax laws were retroactive to January 1993.

Whether or not you're someone whose tax bill will increase as a result of these changes, it may make sense to consider ways to keep more of what you earn.

First, if your employer offers a 401(k) or 403(b) retirement savings plan, consider enrolling. These plans are set up so you can make regular contributions - before taxes - to a retirement savings plan. They offer a disciplined savings strategy, the ability to accumulate earnings tax-deferred, and immediate tax savings. For example, if you earn $40,000 a year and contribute 7% of your salary to your 401(k) plan, your annual contribution is $2,800. That reduces your taxable income to $37,200 and, if you're in the 28% tax bracket, saves you $784 in Federal taxes. In addition, you pay no taxes on any earnings until withdrawal.

It may be a good idea to contact your benefits office as soon as possible to find out when you can enroll or increase your contribution. Most employers allow employees to make changes only a few times each year.

Second, consider an IRA. Many people are eligible to make an IRA contribution (up to $2,000) that is fully tax deductible. That includes people who are not covered by company pension plans, or those within certain income brackets. Even if you don't qualify for a fully deductible contribution, any IRA earnings will grow tax-deferred until withdrawal.

Third, consider tax-free investments like municipal bonds and municipal bond funds. Often these can provide higher after-tax yields than comparable taxable investments. For example, if you're in the new 36% Federal income tax bracket and invest $10,000 in a taxable investment yielding 7%, you'll pay $252 in Federal taxes and receive $448 in income. That same $10,000 invested in a tax-free bond fund yielding 5.5% would allow you to keep $550

in income.
These are three investment strategies that could help lower your tax bill in 1994. If you're interested in learning more, please call us at 1-800-544-8888 or visit a Fidelity Investor Center.
Wishing you a prosperous new year,
Edward C. Johnson 3d, Chairman
SPARTAN FLORIDA MUNICIPAL INCOME PORTFOLIO

PERFORMANCE: THE BOTTOM LINE

There are several ways to evaluate a fund's historical performance. You can look at the total percentage change in value, the average annual percentage change, or the growth of a hypothetical $10,000 investment. Each figure includes changes in a fund's share price, reinvestment of any dividends (or income) and capital gains (the profits the fund earns when it sells bonds that have grown in value), and the effect of the $5 account closeout fee. You can also look at the fund's income. If Fidelity had not reimbursed certain fund expenses during the periods shown, the total returns, dividends and yields would have been lower.
CUMULATIVE TOTAL RETURNS

PERIODS ENDED NOVEMBER 30, 1993	PAST 1 YEAR	LIFE OF FUND
Spartan Florida Municipal Income Portfolio	13.51%	24.79%
Lehman Brothers Municipal Bond Index	11.08%	n/a
Average Florida Tax-exempt Municipal Bond Fund	12.22%	20.83%
Consumer Price Index	2.68%	4.52%

CUMULATIVE TOTAL RETURNS reflect actual performance over a set period, in this case, one year or since the fund started on March 16, 1992. For example, if you invested $1,000 in a fund that had a 5% return over the past year, you would end up with $1,050. You can compare these figures to the performance of the Lehman Brothers Municipal Bond index - a broad gauge of the municipal bond market. To measure how the fund stacked up against its peers, you can look at the average Florida municipal bond fund, which reflects the performance of 43 Florida tax-exempt municipal bond funds tracked by Lipper Analytical Services. Both benchmarks include reinvested dividends and capital gains, if any. Comparing the fund's performance to the consumer price index helps show how your fund did compared to inflation.
AVERAGE ANNUAL TOTAL RETURNS

PERIODS ENDED NOVEMBER 30, 1993	PAST 1 YEAR	LIFE OF FUND
Spartan Florida Municipal Income Portfolio	13.51%	13.81%
Lehman Brothers Municipal Bond Index	11.08%	n/a
Average Florida Tax-exempt Municipal Bond Fund	12.22%	12.02%
Consumer Price Index	2.68%	2.82%

AVERAGE ANNUAL TOTAL RETURNS take the fund's actual (or cumulative) return and show you what would have happened if the fund had performed at a constant rate each year.
$10,000 OVER LIFE OF FUND
Spartan FLA   Lehman Muni

03/31/92	10000.00	10000.00
04/30/92	10172.61	10089.00
05/31/92	10350.02	10208.05
06/30/92	10575.19	10379.55
07/31/92	11028.25	10690.93
08/31/92	10779.39	10586.16
09/30/92	10823.44	10654.97
10/31/92	10580.51	10550.55
11/30/92	10944.39	10739.41
12/31/92	11095.24	10848.95
01/31/93	11245.75	10974.80
02/28/93	11812.46	11372.08
03/31/93	11626.24	11251.54
04/30/93	11765.70	11365.18
05/31/93	11841.81	11428.83
06/30/93	12066.54	11619.69
07/31/93	12101.29	11634.79
08/31/93	12393.62	11876.80
09/30/93	12566.59	12012.19
10/31/93	12600.06	12035.02
11/30/93	12423.64	11929.11

$10,000 OVER LIFE OF FUND: Let's say you invested $10,000 in Spartan Florida Municipal Income Portfolio on March 31, 1992, shortly after the fund started. As the chart shows, by November 30, 1993, the value of your investment would have grown to $12,424 - a 24.24% increase on your initial investment. This assumes you still own the fund on November 30, and therefore does not include the effect of the $5 account closeout fee. For comparison, look at how the Lehman Brothers Municipal Bond index did over the same period. With dividends reinvested, the same $10,000 would have grown to $11,929 - a 19.29% increase.

UNDERSTANDING
PERFORMANCE
How a fund did yesterday is no guarantee of how it will do tomorrow. Bond prices, for example, move in the opposite direction of interest rates. In turn, the share price, return, and yield of a fund that invests in bonds will vary. That means if you sell your shares during a market downturn, you might lose money. But if you can ride out the market's ups and downs, you may have a gain.
(checkmark)
INCOME

YEARS ENDED NOVEMBER 30,	1993	MARCH 16, 1992 (COMMENCEMENT OF OPERATIONS) TO NOVEMBER 30, 1992
Income return	6.10%	4.74%
Capital gain returns	.10%	0%
Change in share price	7.31%	5.19%

Total return 13.51% 9.93%

Income returns, capital gains returns, and changes in share price are all part of a bond fund's total return. An income return reflects the dividends paid by the fund. A capital gain return reflects the amount paid by the fund to shareholders based on the profits it has from selling bonds that have grown in value. Both returns assume the dividends or gains are reinvested. Changes in the fund's share price include changes in the prices of the bonds owned by the fund. Change in share price and total return figures include the effect of the $5 account closeout fee.

DIVIDENDS AND YIELD

PERIODS ENDED NOVEMBER 30, 1993	PAST 30 DAYS	PAST 6 MONTHS	PAST 1 YEAR
Dividends per share	n/a	30.12(cents)	61.50(cents)
Annualized dividend rate	n/a	5.29%	5.54%
Annualized yield	5.06%	n/a	n/a
Tax-equivalent yield	7.91%	n/a	n/a

Dividends per share show the income paid by the fund for a set period. If you annualize this number, based on an average share price of $11.34 over the past six months and $11.10 over the past year, you can compare the fund's income over these two periods. The 30-day annualized yield is a standard formula for all funds based on the yields of the bonds in the fund, averaged over the past 30 days. This figure shows you the yield characteristics of the fund's investments at the end of the period. It also helps you compare funds from different companies on an equal basis. The tax-equivalent yield shows what you would have to earn on a taxable investment to equal the fund's tax-free yield, if you're in the 36% combined federal tax bracket.

SPARTAN FLORIDA MUNICIPAL INCOME PORTFOLIO

FUND TALK: THE MANAGER'S OVERVIEW

MARKET RECAP

Generally, interest rates fell during the year ended November 30, 1993. As a result, bond prices rose and most fixed-income investors - including those in tax-free bonds - enjoyed attractive returns. The period began amid expectations of higher interest rates to come. This was based on signs that the economic recovery was finally taking hold, as well as uncertainty over the spending plans of the president-elect. But as President Clinton promised to tackle the deficit and fight inflation, the bond market signaled its approval. The yield on the benchmark 30-year Treasury bond dipped below 6% in September and reached an historic low of 5.79% in mid-October. By the end of the period, as inflation fears returned, the 30-year bond was yielding 6.30%.

Two factors affected tax-free bonds specifically: On the positive side, higher federal taxes - discussed all year and approved in August - boosted demand. At the same time, record new issuance kept supplies high, which somewhat dampened prices. Overall during the period, tax-free bonds performed well compared to other fixed-income investments. The Lehman Brothers Municipal Bond Index - a broad measure of the tax-free bond market - - rose 11.08%. By comparison, the Lehman Brothers Aggregate Bond Index - which tracks investment-grade taxable bonds - rose only 10.89%, due in part to relatively poor performance by mortgage-backed securities.

An interview with Anne Punzak, Portfolio Manager of Spartan Florida Municipal Income Portfolio

Q. ANNE, HOW DID THE FUND DO?

A. For the 12 months ended November 30, 1993, the fund had a total return of 13.51%. That outpaced the average Florida municipal bond fund which returned 12.22% over the same period, according to Lipper Analytical Services.

Q. WHAT STRATEGIES HELPED THE FUND BEAT THE AVERAGE?

A. Mainly, having a longer than average duration - meaning it was more sensitive to changes in interest rates. A year ago, I felt the economy would grow slowly, and that interest rates would continue to fall. Since interest rates did fall quite a bit over the past 12 months, having a longer duration - 8.5 years at the end of November - really helped the fund.

Q. HOW DID YOU GO ABOUT LENGTHENING THE FUND'S DURATION?

A. Primarily by investing in non-callable bonds. These are bonds that can't be prematurely returned to their issuers, and therefore have a longer duration. That's because non-callable bonds always trade to their maturity date, rather than a shorter call date. When interest rates are falling and bond prices are rising - as they have been during the past year - non-callable bonds tend to do well. I focused on non-callables that were cheap compared to what I thought their prices should be.

Q. MUNICIPAL RATING AGENCIES HAVE RECENTLY EXPRESSED CONCERN ABOUT ELECTRIC UTILITY BONDS. ARE YOU WORRIED THAT THE FUND'S 19.9% STAKE IN THEM WILL BE AFFECTED?

A. No, because the rating agencies have singled out investor-owned electric utilities as being at risk. Though the fund has invested in some very strong investor-owned utilities, I stick mainly to public electric utilities. Investor-owned electric utilities have to compete with one another for large, industrial customers. But public electric utilities, which serve primarily homeowners, don't face much competition. I'm optimistic about public electric utility bonds because they typically provide attractive yields and should become scarce once refinancings are completed. There were major buildup programs during the '80s, which means there's little need for new plants. The scarcity should help push up prices. I look for electric utilities with high ratings and strong managements like Jacksonville Electric Authority, the fund's largest investment.

Q. DO YOU STILL THINK THAT THE FUND'S 18.1% STAKE IN HEALTH-CARE BONDS WON'T BE HURT BY PRESIDENT CLINTON'S HEALTH-CARE REFORM PROPOSALS?

A. Yes. In fact I believe that some hospitals could actually benefit from health-care reform. I look for hospitals located in growing suburban areas with strong HMO relationships that have done a good job managing costs. Reform could spur a number of consolidations within the sector, which might also offer some opportunities. I'm particularly interested in smaller, lower-rated hospitals that I think could benefit from being taken over by a larger, higher rated hospital. The acquired hospital's bonds would assume the higher rating of its acquirer. When a municipal bond is upgraded, the price of that bond can increase.

Q. WHAT'S YOUR OUTLOOK FOR FLORIDA MUNICIPAL BONDS?

A. I'm optimistic partly because the supply of Florida munis could decrease while demand could increase. Over the past several years there's been an abundant supply of Florida municipals, driven in part by issuers refinancing older, more expensive debt. But that supply should diminish somewhat as refinancings slow. On the demand side of the equation, higher taxes could motivate investors to buy more tax-free municipals to shield their income from higher taxes. Decreased supply and increased demand are normally a recipe for higher prices.

Q. WHAT'S YOUR OUTLOOK FOR FLORIDA'S ECONOMY?

A. Despite the negative publicity, Florida's economy is doing well. Retail sales and housing permits have picked up. The state's done a good job of transforming its economy from one that's heavily reliant on tourism and agriculture to one that's a more balanced mix of those industries and service and trade businesses. There's been a substantial increase in the number of financial services companies opening or relocating operations in the state. Florida has also benefited from many companies opening offices there to take advantage of the state's proximity to Latin and South American markets. Over the next year, I believe that Florida will experience similar, if not faster, growth than the nation as a whole.

FUND FACTS

GOAL: high current income exempt from federal income tax and the Florida intangible personal property tax by investing mainly in long-term, investment-grade Florida municipal bonds

START DATE: March 16, 1992

SIZE: as of November 30, 1993, over $428 million

MANAGER: Anne Punzak, since March 1992; manager, Fidelity Aggressive Tax Free Fund, since January, 1986; Fidelity High Yield Tax-Free Fund, since October 1993; Spartan Aggressive Municipal Bond Fund, since April 1993, Fidelity Insured Tax-free Fund, October 1989 to September 1993

(checkmark)

ANNE PUNZAK'S OUTLOOK ON INTEREST RATES:

"Although the United States economy is still limping along, it's healthier than it was a year ago and inflation, appears to be in check. Two early inflationary signs-commodity prices and wages - haven't shown any real evidence of rebounding. To me, that signals that inflation could remain where it is for some time. Even though national economic growth has picked up a little, inflation hasn't risen. All other things being equal, it's quite possible that we're in for several years of 3% or 4% growth, with inflation in the 2% range. A low growth, low inflation environment is usually positive for bonds.

(bullet) Transportation bonds are the fund's largest sector concentration at 19.8% of the fund's investments. They're attractive because their backed primarily by tolls and excise taxes and most have strong credit quality.

DISTRIBUTIONS:

The Board of Trustees of Fidelity Court Street Trust, Spartan Florida Municipal Income Portfolio voted to pay on December 20, 1993, to the shareholders of record at the opening of business on December 17, 1993 a distribution of $.20 derived from capital gains realized from sales of portfolio securities.

SPARTAN FLORIDA MUNICIPAL INCOME PORTFOLIO

INVESTMENT CHANGES

TOP FIVE SECTORS AS OF NOVEMBER 30, 1993

	% OF FUND'S INVESTMENTS	% OF FUND'S INVESTMENTS IN THESE SECTORS 6 MONTHS AGO
Electric Revenue	19.9	23.1
Transportation	19.8	17.8
Health Care	18.1	13.9
Water & Sewer	10.9	9.7
General Obligation	10.3	8.2

AVERAGE YEARS TO MATURITY AS OF NOVEMBER 30, 1993

		6 MONTHS AGO
Years	19.68	20.30

AVERAGE YEARS TO MATURITY SHOWS THE AVERAGE TIME UNTIL THE PRINCIPAL OF THE BONDS IN THE FUND IS EXPECTED TO BE REPAID, WEIGHTED BY DOLLAR AMOUNT.

DURATION AS OF NOVEMBER 30, 1993

6 MONTHS AGO

Years   8.5   8.0

DURATION SHOWS HOW MUCH A BOND'S PRICE FLUCTUATES WITH CHANGES IN INTEREST RATES. IF RATES RISE 1%, FOR EXAMPLE, THE SHARE PRICE OF A FUND WITH A FIVE-YEAR DURATION WILL FALL 5%.
QUALITY DIVERSIFICATION AS OF NOVEMBER 30, 1993
(MOODY'S RATINGS)
Aaa 56.9%
Aa, A 7.5%
Baa 28.6%
Non-rated 7%
Row: 1, Col: 1, Value: 56.9
Row: 1, Col: 2, Value: 7.5
Row: 1, Col: 3, Value: 28.6
Row: 1, Col: 4, Value: 7.0
THIS CHART EXCLUDES SHORT-TERM INVESTMENTS. WHERE MOODY'S RATINGS ARE NOT AVAILABLE, WE HAVE USED S&P RATINGS.
SPARTAN FLORIDA MUNICIPAL INCOME PORTFOLIO

INVESTMENTS/NOVEMBER 30, 1993
(Showing Percentage of Total Value of Investments)

MUNICIPAL BONDS - 96.6%
MOODY'S RATINGS(E) PRINCIPAL VALUE
(UNAUDITED) AMOUNT (NOTE 1)
FLORIDA - 83.9%
Acme Impt. Dist. Wtr. & Swr. Rev. Rfdg.
6% 6/1/09, (MBIA Insured) Aaa $ 650,000 $ 714,187 004692CH
Alachua County Health Facs. Auth. Health Facs. Rev.:
Rfdg. (Santa Fe Healthcare Facs. Proj.)
6% 11/15/09 Baa 1,950,000 1,942,687 010685FT
6.05% 11/15/09 Baa 3,500,000 3,460,624 010685FU
(Beverly Enterprises Proj.) 10.125% 4/1/10 - 895,000 1,025,893
010686AA
(Santa Fe Health Care Facs. Proj.)
7.60% 11/15/13 Baa 1,000,000 1,106,250 010685FN
Bay County Ind. Dev. Correctional Facs. Rev.
(Corrections Corp. America Proj.) Series A,
8.875% 11/1/05(b) - 2,855,000 3,015,593 072224AA
Boynton Beach Util. Sys. Rev. Rfdg.
6.25% 11/1/12, (FGIC Insured) Aaa 1,500,000 1,595,624 103580AM
Brevard County Health Facs. Auth. Rev. Rfdg.
(Westhoff Mem. Hosp.) Series B,
7.20% 4/1/13 Baa1 750,000 811,874 107416JH
Broward County Arpt. Sys. Rev. Rfdg. Series C,
5% 10/1/05, (AMBAC Insured) Aaa 5,000,000 4,993,750 114894BG
Broward County Health Facs. Auth. Hosp. Rev.
(Holy Cross Hosp. Inc.) 5.85% 6/1/12,
(AMBAC Insured) Aaa   2,000,000 2,067,500 115023CR
Broward County School Dist. Rfdg. 115067EJ
5.60% 2/15/07 A1 2,000,000 2,065,000 115067EJ
Broward County School Dist. Rfdg. Unltd. Tax
5.70% 2/15/08 A1 2,000,000 2,065,000 115067EK
Cape Canaveral Hosp. Dist. Ctfs. Rev.
6.875% 1/1/21, (AMBAC Insured) Aaa 250,000 274,687 139252BU
Charlotte County Util. Rev. Rfdg. 5.25%
10/1/21, (FGIC Insured) Aaa 4,650,000 4,434,937 160811BP
Citrus County Poll. Cont. Rev. Rfdg. (Florida Pwr.
Corp. Crystal River):
Series A, 6.625% 1/1/27 A1 2,700,000 2,926,124 177464AL
Series B, 6.35% 2/1/22 A1 5,000,000 5,343,750 177464AN

Cocoa Wtr. & Swr. Rev. Impt. Series B,
5.125% 10/1/13, (AMBAC Insured) Aaa 4,575,000 4,289,344 191783BW
Collier County Ind. Dev. Auth. Retirement Rent
Hsg. Rev. Rfdg. (Beverly Enterprises Proj.)
10.75% 3/1/03   - 1,395,000 1,701,900 194643AB
Collier County Wtr. Swr. Dist. Wtr. Rev.
6.375% 7/1/10, (FGIC Insured) Aaa 1,000,000 1,080,000 222642DG
Dade County Aviation Rev.(b):
Series P, 6.75% 10/1/94 Aa 2,900,000 2,990,625 233455KX
MUNICIPAL BONDS - CONTINUED
MOODY'S RATINGS(E) PRINCIPAL VALUE
(UNAUDITED) AMOUNT (NOTE 1)
FLORIDA - CONTINUED
Dade County Aviation Rev.(b)- Continued:
Series B, 6.25% 10/1/05, (MBIA Insured)   Aaa $ 2,000,000 $ 2,170,000
233455TZ
Series B, 6.55% 10/1/13, (MBIA Insured) Aaa 2,000,000 2,167,500
233455UB
Dade County Edl. Facs. Auth. Rev. Rfdg.
(Intl. Univ. Proj.) 5% 10/1/16, (MBIA Insured) Aaa 2,000,000 1,872,500
233490KB
Dade County Pub. Facs. Rev. Rfdg.
(Jackson Mem. Hosp.) Series A, 4.75% 6/1/10,
(MBIA Insured) Aaa 3,540,000 3,256,800 233543GG
Delray Beach Wtr. & Swr. Rev. Series B,
(AMBAC Insured):
0% 10/1/12 Aaa 4,475,000 1,543,875 247325MY
0% 10/1/13 Aaa 2,760,000 897,000 247325MZ
0% 10/1/14 Aaa 4,400,000 1,336,500 247325NB
Dunedin Hosp. Rev. (Mease Health Care)
(MBIA Insured):
6.75% 11/15/21 Aaa 1,000,000 1,152,500 265368CR
5.25% 11/15/06 Aaa 1,400,000 1,412,250 265368DF
Dunedin Util Sys. Rev. Rfdg. 6.25% 10/1/11,
(FGIC Insured) Aaa 1,360,000 1,484,100 265377BH
Dunes Commty. Dev. Dist. Rev. Rfdg.
(Wtr. & Swr. Proj.) 6.10% 10/1/18 A3 1,500,000 1,545,000 265437BQ
Duval County Hsg. Fin. Auth. Single Family
Mtg. Rev. Series C, 7.70% 9/1/24,
(FGIC Insured) (GNMA Coll.) Aaa 745,000 787,838 267156KN
Escambia County Health Facs. Auth. Rev. Rfdg.:
Rfdg. (Baptist Hosp. Inc.) 6% 10/1/14 BBB+ 2,400,000 2,361,000
296110DT
(Baptist Hosp. & Baptist Manor) 6.75%
10/1/14 BBB+ 3,250,000 3,428,750 296110DH
Escambia County Hsg. Fin. Auth. Single Family
Mtg. Rev. (Multi-County Prog.) Series A,
6.90% 4/1/20, (GNMA Coll.) (b) Aaa 1,000,000 1,067,500 296122JU
Escambia County Poll. Cont. Rev. Rfdg.
(Gulf Pwr. Co. Proj.) 6.75% 3/1/22 A2 2,000,000 2,127,500 296130BL
Escambia County Util. Auth. Rev. Series B, 6.25%
1/1/15 (FGIC Insured) Aaa 1,500,000 1,651,875 296177GB
Florida Board Ed. Cap. Outlay (Pub. Ed.) 341421BF:
Series A 341421BF:
0% 6/1/14 Aa 1,500,000 390,000 341420P8
6.75% 6/1/21 Aa 1,870,000 2,052,325 341421BF
7.25% 6/1/23 Aa 325,000 377,813 341420Q8
MUNICIPAL BONDS - CONTINUED
MOODY'S RATINGS(E) PRINCIPAL VALUE
(UNAUDITED) AMOUNT (NOTE 1)
FLORIDA - CONTINUED
Florida Board Ed. Cap. Outlay (Pub. Ed.) 341421BF: - continued
Series B, 6.70% 6/1/22 Aa $ 2,250,000 $ 2,463,750 341421CN

Series C, 6.625% 6/1/22 Aa 1,000,000 1,095,000 341421DX
Florida Board of Ed. Cap. Outlay Rfdg. Unltd.
Tax (Pub. Ed.) Series D, 5.125% 6/1/22 Aa 8,000,000 7,530,000 341421RC
Florida Division Board Fin. Dept. Gen. Svcs. Rev.
(Dept. of Natural Resources Preservation 2000)
Series A, (AMBAC Insured):
6.25% 7/1/07 Aaa 1,000,000 1,082,500 342812SQ
6.25% 7/1/08 Aaa 2,500,000 2,706,250 342812SR
6.75% 7/1/08 Aaa 1,350,000 1,503,563 342812QX
Florida Hsg. Fin. Agcy. SIngle Family Mtg. Rev.
Series A, 7.90% 1/1/16 AA 1,040,000 1,067,300 340736BR
Florida Keys Aqueduct Auth. Wtr. Rev.
5.25% 9/1/21, (AMBAC Insured) Aaa 1,800,000 1,723,500 340765EX
Florida Mid-Bay Bridge Auth. Rev..
Series A:
7.50% 10/1/17 - 1,700,000 1,880,625 342814AL
6.875% 10/1/22 - 3,000,000 3,491,250 342814AM
Florida Muni. Pwr. Agcy. Rev.:
Rfdg. (St. Lucie Proj.) 5.50% 10/1/12,
(FGIC Insured) Aaa 2,635,000 2,631,706 342816JE
Rfdg. (Stanton II Proj.) 4.50% 10/1/16,
(AMBAC Insured) Aaa 3,000,000 2,628,750 342816LC
(Stanton II Proj.) 6.50% 10/1/20,
(AMBAC Insured) Aaa 2,000,000 2,285,000 342816HH
Florida Tpk. Auth. Tpk. Rev. Series A: 343136CE
Rdfg. 5.10% 7/1/04, (FDIC Insured) Aaa 1,000,000 1,017,500 343136EU
Rfdg. 5% 7/1/19, (FGIC Insured) Aaa 2,100,000 1,958,250 343136FL
5.25% 7/1/06, (FGIC Insured) Aaa 1,500,000 1,520,625 343136EW
5.90% 7/1/06, (FGIC Insured) Aaa 5,000,000 5,287,500 343136DC
7.20% 7/1/11, (AMBAC Insured) Aaa 1,500,000 1,762,500 343136CE
6.30% 7/1/12, (FGIC Insured) Aaa 1,000,000 1,068,750 343136DJ
5.25% 7/1/22, (FGIC Insured) Aaa 1,000,000 957,500 343136FB
6.35% 7/1/22, (FGIC Insured) Aaa 1,630,000 1,727,800 343136GB
Gainesville Util. Sys. Rev.:
Series A, 6.50% 10/1/22 Aa 1,225,000 1,330,656 362848GE
Series B, 5.50% 10/1/13 Aa 1,750,000 1,745,625 362848HR
Greater Orlando Aviation Auth. Arpt. Facs. Rev: 392274FX
Series A: 392274FX
6.50% 10/1/05, (FGIC Insured) (b) Aaa 3,550,000 3,913,875 392274FX
6.375% 10/1/21, (FGIC Insured) (b) Aaa 6,310,000 6,672,825 392274GA
MUNICIPAL BONDS - CONTINUED
MOODY'S RATINGS(E) PRINCIPAL VALUE
(UNAUDITED) AMOUNT (NOTE 1)
FLORIDA - CONTINUED
Greater Orlando Aviation Auth. Arpt. Facs. Rev. - continued 392274FX
Rfdg. Series D, 6.20% 10/1/08,
(AMBAC Insured) Aaa $ 1,000,000 $ 1,076,250 392274HU
Hernando County Ind. Dev. Rev. Rfdg.
(Beverly Enterprises, Inc.) 10% 9/1/11 - 1,000,000 1,180,000 427666AS
Hillsborough County Aviation Auth. Rev. Rfdg.
(Tampa Int'l. Aprt.): 432308JH
Series A, 6.90% 10/1/11, (FGIC Insured) Aaa 4,250,000 4,701,563
Series B, 5.30% 10/10/06, (FGIC Insured) Aaa 2,075,000 2,108,719
432308LE
Hillsborough County Cap. Impt. Rev.
(County Proj.) 2nd Series, 6.75% 7/1/22 A 3,120,000 3,393,000 43232LCH
Hillsborough County Envir. Sensitive Land
Acquisition & Protection Ltd. Tax
6.375% 7/1/11 A 2,000,000 2,142,500 432290EV
Hillsborough County Util. Rev. Rfdg.
(Cap. Appreciation) Series A: 432347FH
0% 8/1/05 Baa1 17,445,000 9,420,300 432347FH
0% 8/1/06 Baa1 10,000,000 5,062,500 432347FJ

0% 8/1/07 Baa1 9,250,000 4,405,313 432347FK
7% 8/1/14 Baa1 ,1,500,000 1,667,812 432347GP
Homestead Spl. Ins. Assessment Rev. (Hurricane
Andrew Covered Claims) (MBIA Insured): 437762AD
3.85% 3/1/95 Aaa 1,750,000 1,758,750 437762AD
5% 3/1/01 Aaa 3,000,000 3,052,500 437762AR
Jacksonville Beach Utils. Rev. 5.50% 10/1/14,
(MBIA Insured) Aaa 1,000,000 998,750 469286KV
Jacksonville Elec. Auth. Rev.:
Rfdg. (St. Johns River Pwr. 2) Series 7,
5.75%10/1/12 Aa1 9,750,000 9,908,438 469363S6
Rfdg. (St. Johns River Issue 2) Series 8,
5.125%10/1/07 Aa1 1,000,000 998,750 469363Y2
(Bulk Pwr. Supply) 6.75% 10/1/21 AA 3,500,000 3,994,375 469363P4
(Elec. Sys.) Series 3 A, 5.25% 10/1/28 Aa1 3,000,000 2,838,750
469363W3
Jacksonville Excise Tax Rev. Rfdg. 6.25%
10/1/05, (AMBAC Insured) Aaa 2,000,000 2,195,000 469383NF
Jacksonville Health Facs. Auth. Hosp. Rev.:
Rfdg. (Methodist Hosp. Proj.) Series A,
8% 10/1/15 - 2,260,000 2,186,550 469404HG
(Baptist Med. Ctr.) Series A, 7.30% 6/1/19,
(MBIA Insured) Aaa 500,000 563,125 469404GJ
MUNICIPAL BONDS - CONTINUED
MOODY'S RATINGS(E) PRINCIPAL VALUE
(UNAUDITED) AMOUNT (NOTE 1)
FLORIDA - CONTINUED
Jacksonville Health Facs. Auth. Ind. Dev. Rev.:
(Cypress Village Proj.) 7% 12/1/14 Baa1 $ 1,000,000 $ 1,073,750 46940HAZ
Rfdg. (Cypress Village Proj.):
(Nat'l. Benevolent Assn.) 7% 12/1/22 Baa1 2,000,000 2,132,500 46940HBA
(Nat'l. Benevolent Assn.) 6.25% 12/1/23 Baa1 2,000,000 1,997,500
46940HBR
Jacksonville Hosp. Rev. (Univ. Med. Ctr.)
(Connie Lee Insured)
6.50% 2/1/07 AAA 2,000,000 2,147,500 46940TAR
6.60% 2/1/21 AAA 1,275,000 1,389,750 46940TAT
Jacksonville Ind. Dev. Rev. Rfdg.
(Cargill, Inc. Proj.) 6.40% 3/1/11 (c) AA- 1,250,000 1,342,188 469407AZ
Jacksonville Wtr. & Swr. Gen. Wtrwks. Dev. Rev.
(Jacksonville Suburban Utils.) 6.75%
6/1/22 (b) A2 1,000,000 1,088,750 469510AA
Key West Util. Board Elec. Rev. Rfdg.
0% 10/1/14, (AMBAC Insured) Aaa 6,755,000 2,060,275 493230JS
Kissimmee Util. Auth. Elec. Sys. Rev. Rfdg. & Impt.
5.25% 10/1/18, (FGIC Insured) Aaa 3,000,000 2,880,000 497850DA
Kissemmee Wtr. & Swr. Rev. Rfdg.
6% 10/1/11, (AMBAC Insured) Aaa 2,000,000 2,097,500 497857DX
Lake Worth Rfdg. 5.80% 10/1/05,
(AMBAC Insured) Aaa 1,000,000 1,055,000 511354CZ
Lee County Cap. Impt. Rev. Rfdg. Series B,
(MBIA Insured):
0% 10/1/11 Aaa 1,975,000 720,875 523484HE
0% 10/1/12 Aaa 1,060,000 367,025 523484HF
Lee County Hosp. Board Directors Hosp.
Rev. 9.524% 3/26/20, (MBIA Insured)(d) Aaa 1,000,000 1,120,000 52349FCG
Lee County Ind. Dev. Auth. Econ. Dev. Rev. Rfdg.
(Encore Nursing Ctr.) (Beverly Enterprises, Inc.)
8.125% 12/1/07 - 1,000,000 1,063,750 52348PAA
Lee County Trans. & Cap. Facs. Rev. Rfdg.
Series A, 5.50% 10/1/13, (MBIA Insured) Aaa 2,000,000 2,000,000
523481BC
Leesburg Hosp. Rev. Rfdg. (Leesburg Reg'l.

Med. Ctr. Proj.) Series B, 5.625% 7/1/13 Baa1 1,500,000 1,415,625
524360DH
Leon County 5.50% 10/1/07, (MBIA Insured) Aaa 1,000,000 1,022,500
52643HAM
Marion County Hosp. Dist. Rev. Rfdg.
(Munroe Reg'l. Med. Ctr.) 6.25% 10/1/12,
(FGIC Insured) Aaa 1,000,000 1,060,000 568787DP
Melbourne Wtr. & Swr. Rev. Rfdg. Series A,
6.50% 10/1/14, (FGIC Insured) Aaa 1,000,000 1,088,750 585395VY
Miami Beach Health Facs. Auth. Hosp. Rev. Rfdg.
(Mt. Sinai Med. Ctr. Proj.) (Cap. Gtd. Insured):
6.25% 11/15/08 Aaa 2,000,000 2,137,500 593211AL
MUNICIPAL BONDS - CONTINUED
MOODY'S RATINGS(E) PRINCIPAL VALUE
(UNAUDITED) AMOUNT (NOTE 1)
FLORIDA - CONTINUED
Miami Beach Health Facs. Auth. Hosp. Rev. Rfdg.
(Mt. Sinai Med. Ctr. Proj.) (Cap. Gtd. Insured):- continued
6.25% 11/15/19 Aaa $ 4,350,000 $ 4,567,500 593211AM
Miami Sports & Exhibit Auth. Spl. Oblig. Rfdg.
Series A, 6.15% 10/1/09, (FGIC Insured) Aaa 1,500,000 1,590,000
593496BX
Naples Hosp. Rev. Rfdg. (Naples Commty.
Hosp., Inc. Proj.) 5.10% 10/1/07,
(MBIA Insured) Aaa 3,205,000 3,148,913 630475CF
Nassau County Poll. Cont. Rev. Rfdg.
6.2% 7/1/15 Baa 1,000,000 1,041,250 631582AW
(ITT Rayonier Proj.):
7.65% 6/1/06 Baa2 1,415,000 1,572,419 631582AA
6.25% 6/1/10 Baa2 9,500,000 9,951,250 631582AQ
North Broward Hosp. Dist. Rev.: 658000EG
Rfdg. 6.40% 1/1/06, (MBIA Insured) Aaa 950,000 1,037,875 658000EL
Rfdg. 6.25% 1/1/12, (MBIA Insured) Aaa 3,000,000 3,172,500 658000FB
6.50% 1/1/12, (MBIA Insured) Aaa 350,000 378,438 658000EG
Ocala Util. Sys. Rev. Rfdg. Sub-Series A,
6.25% 10/1/15, (AMBAC Insured) Aaa 250,000 264,063 674564BJ
Orange County Health Facs. Auth.
(Orlando Regl. Healthcare) Series A,
5.75% 11/1/07, (MBIA Insured) Aaa 2,000,000 2,075,000 684503RZ
Orange County Hsg. Fin. Auth. Mtg. Rev.
Series A, 7.875% 9/1/10, (GNMA Coll.) (b) AAA 585,000 614,981 684904DC
Orange County Solid Waste Facs. Rev.
6.25% 10/1/12, (FGIC Insured) Aaa 2,175,000 2,324,531 684534BL
Orlando & Orange Co. Expressway Auth.
Rev. Rfdg. Sr. Lien : 686543HU
5.25% 7/1/12, (AMBAC Insured) Aaa 2,000,000 1,955,000 686543JG
5.25% 7/1/14, (AMBAC Insured) Aaa 2,425,000 2,358,313 686543HU
Orlando Util. Commission Wtr. & Elec. Rev. : 686509TS
Rfdg. Sub-Series D, 6.75% 10/1/17 Aa 1,000,000 1,153,750 686509TS
Sub-Series A: 686509TY
6% 10/1/20 Aa 3,500,000 3,600,625 686509UF
6.50% 10/1/20 Aa 1,405,000 1,512,131 686509TY
5.50% 10/1/26 Aa 3,935,000 3,831,706 686509TZ
Orlando Util. Commission Wtr. & Elec.
7.902%, 10/31/13 (d) Aa 3,000,000 3,071,250 686509XA
Osceola County Gas Tax Rev. Rfdg. & Impt.
6% 4/1/09, (FGIC Insured) Aaa 1,915,000 2,010,750 688024BC
Palm Beach County Arpt. Sys. Rev. Rfdg.
6.375%, 10/1/14, (MBIA Insured) Aaa 1,000,000 1,067,500 696499BK
MUNICIPAL BONDS - CONTINUED
MOODY'S RATINGS(E) PRINCIPAL VALUE
(UNAUDITED) AMOUNT (NOTE 1)
FLORIDA - CONTINUED

Pasco County Wtr. & Swr. Rev. Rfdg.
Series A, 5.75% 10/1/07, (FGIC Insured) Aaa $ 3,500,000 $ 3,640,000
702541CV
Pembroke Pines Cons. Util. Sys. Rev. Rfdg.
6.25% 9/1/17, (FGIC Insured) Aaa 1,000,000 1,051,250 706436AQ
Pinellas County Health Facs. Auth. Sun Coast
Health Sys. Rev. (Sun Coast Hosp. Proj.)
Series A, 8.50% 3/1/20 BBB 2,970,000 3,318,975 72316EAA
Plantation Health Facs. Auth. Rev. (Covenant
Retirement Communities Inc.)
7.75% 12/1/22 - 2,500,000 2,596,875 72736MAN
Polk County Ind. Dev. Auth. Ind. Dev. Rev.
(Winter Haven Hosp.) Series 2,
6.25% 9/1/15, (MBIA Insured) Aaa 1,500,000 1,590,000 731120LK
Reedy Creek Impt. Dist. Util. Rev.
(Cap. Appreciation) Series 1991-1,
6.25% 10/1/11, (MBIA Insured) AaA 3,500,000 3,701,250 75845HCA
St. John's County Indl. Dev. Auth. Rev. Rfdg. : 790397AQ
(Flagler Hosp. Proj.) 6% 8/1/22 A 4,240,000 4,282,400 79039MAM
(Vicars Lndg. Proj.) Series A, 6.75% 2/15/12 - 4,000,000 3,870,000
790397AQ
St. Lucie County Solid Waste Disp. Rev.
(Florida Pwr. & Lt. Co. Proj.) 6.70% 5/1/27 (b) A2 2,000,000
2,167,500 79208EAT
St. Petersburg Health Facs. Auth. Rev.: 793309CX
(Allegany Health Sys.) Series A, 7% 12/1/15,
(MBIA Insured) Aaa 1,000,000 1,130,000 793309CX
(Allegany Health Sys. Loan Proj.)
5.75% 12/1/21, (MBIA Insured) Aaa 140,000 141,225 793309DP
(Allegany Health Sys. - St. Mary's) 7% 12/1/21,
(MBIA Insured) Aaa 1,500,000 1,695,000 793309CZ
Sarasota Wtr. & Swr. Util. Rev. First Rfdg.
9.305% 10/1/11, (FGIC Insured)(d) Aaa 2,000,000 2,317,500 803408GB
Seminole County Wtr. & Swr. Rev. Rfdg. & Impt.: 816705EF
6% 10/1/09, (MBIA Insured) Aaa 1,500,000 1,605,000 816705EJ
6% 10/1/12, (MBIA Insured) Aaa 1,500,000 1,597,500 816705EF
Sumter County School Dist. Rev.
(Multi-Dist. Loan Prog.) 7.15% 11/1/15,
(Cap. Guaranty Insured) Aaa 1,000,000 1,215,000 866537BC
Sunrise Pub. Facs. Rev. Series B,
0% 10/1/13, (MBIA Insured) Aaa 2,840,000 937,200 86768GAY
Sunrise Spl. Tax Dist. #1 Rfdg. 6.375% 11/1/21,
LOC Bayer Hypotheken Bank Aa1 2,000,000 2,115,000 86768RAP
Tallahassee Health Facs. Facs. Rev. Rfdg.
(Tallahassee Mem. Regl. Med.) Series B,
6% 12/1/09, (MBIA Insured) Aaa 2,000,000 2,080,000 874485CJ
MUNICIPAL BONDS - CONTINUED
MOODY'S RATINGS(E) PRINCIPAL VALUE
(UNAUDITED) AMOUNT (NOTE 1)
FLORIDA - CONTINUED
Tallahassee Muni. Elec. Rev. Series B,
6.20% 10/1/12 Aa $ 4,500,000 $ 4,725,000 874466KY
Tampa Cap. Impt. Proj. Rev.
Series B: 875148AU
8.25% 10/1/05 BBB 4,500,000 4,972,500 875148AU
8.375% 10/1/18 A- 1,800,000 1,991,250 875148AV
Tampa Rev. (Allegheny Health Sys. - St. Joseph)
6.75% 12/1/17, (MBIA Insured) Aaa 150,000 165,563 875231BD
Tampa Wtr. & Swr. Rev. (Short/Rites)
Series A-1, 9.410% 10/1/06,
(FGIC Insured) (d) Aaa 3,000,000 3,513,750 875290GY
Tarpan Springs Health Facs. Auth. Hosp. Rev.
(Helen Ellis Mem. Hosp. Proj.) : 876258CC

7.5% 5/1/11 BBB- 1,225,000 1,313,813 876258CC
7.625% 5/1/21 BBB- 245,000 263,988 876258CD
347,251,542
PUERTO RICO - 11.5%
Puerto Rico Commonwealth Aqueduct & Swr.
Auth. Rev. Series A, 7.875% 7/1/17 Baa 1,000,000 1,147,500 745160KC
Puerto Rico Commonwealth Gen. Oblig.
5% 7/1/21 Baa1 3,850,000 3,532,375 745144KJ
Puerto Rico Commonwealth Hwy. & Trans. Auth. Hwy.
Rev.: 745181BA
Rfdg. Series X, 5.50% 7/1/15 Baa1 5,000,000 4,925,000 745181FD
Series T, 6.625% 7/1/18 Baa1 7,500,000 8,165,625 745181BA
Series W: 745181BZ
5.50% 7/1/13 Baa1 8,000,000 7,890,000 745181BZ
5.50% 7/1/15 Baa1 4,000,000 3,940,000 745181CB
Puerto Rico Commonwealth Infrastructuring
Fing. Auth. Spl. Series A, 7.50% 7/1/09 Baa1 1,000,000 1,127,500
745219AR
Puerto Rico Commonwealth Rfdg. & Impt.
Unltd. Tax 5.30% 7/1/04 Baa1 2,000,000 2,020,000 745144KC
Puerto Rico Elec. Pwr. Auth. Pwr. Rev. : 745268JT
Series N, 7.125% 7/1/14 Baa1 800,000 873,000 745268JT
Series P, 7% 7/1/21 Baa1 4,450,000 4,911,688 745268LL
Puerto Rico Elec. Pwr. Auth. Rev.
(Pwr. Resources Auth.) Series R,
6.25% 7/1/17 Baa1 2,000,000 2,097,500 745268ND
Puerto Rico Pub. Bldgs. Auth. Rev. Rfdg.
Series L, 5.50% 7/1/21 Baa1 3,000,000 2,962,500 745235GJ
MUNICIPAL BONDS - CONTINUED
MOODY'S RATINGS(E) PRINCIPAL VALUE
(UNAUDITED) AMOUNT (NOTE 1)
PUERTO RICO - CONTINUED
Puerto Rico Tel. Auth. Rev. 6.95% 1/1/04,
(AMBAC Insured) Inverse Floating
Rate Notes (d) Aaa $ 4,000,000 $ 4,075,000 745297HX
47,667,688
U.S. VIRGIN ISLANDS - 1.7%
Virgin Islands Pub. Fin. Auth. Rev. Rfdg.
Series A, 7.25% 10/1/18
(Escrowed to Maturity) (b) - 6,300,000 6,977,250 927676CF
GUAM - 2.9%
Guam Arpt. Auth. Gen. Rev. Series B,
6.40% 10/1/05 (b) BBB 2,500,000 2,637,500 400648BB
Guam Arpt. Auth. Rev. : 400648BK
6.30% 10/1/22 BBB 2,150,000 2,227,938 400653AN
Series A: 400648BK
6.60% 10/1/10 BBB 1,500,000 1,588,125 400648BK
5.25% 10/1/13 BBB 1,250,000 1,164,063 400653BF
Series B, 6.70% 10/1/23 BBB 3,950,000 4,201,813 400648BM
11,819,439
TOTAL MUNICIPAL BONDS (Cost $397,113,630)   413,715,919
MUNICIPAL NOTES (A) - 3.4%

FLORIDA - 3.4%
Dade County Health Facs. Auth. Hosp. Rev.
(Miami Childrens Hosp. Proj.) Series 1990,
2.35%, LOC Barnett Bank, VRDN VMIG   8,600,000 8,600,000 233904KQ
Dade County Ind. Dev. Rev. (Montenay Dade
Ltd. Proj.) Series 1990-A, 2.40%, LOC
Banque Paribas, VRDN A-1 5,000,000 5,000,000 233561AB
Hillsborough County Ind. Dev. Auth. Poll. Cont.
Rev. Rfdg. (Tampa Elec. Co. Proj.)
Series 1990, 1.90%, VRDN - 1,100,000 1,100,000 432320CL

TOTAL MUNICIPAL NOTES (Cost $14,700,000) 14,700,000

TOTAL INVESTMENTS - 100% (Cost $411,813,630) $ 428,415,919
SECURITY TYPE ABBREVIATIONS
VRDN - Variable Rate Demand Notes
LEGEND
(f) The coupon rate shown on floating or adjustable rate securities represents the rate at period end.
(g) Private activity obligations whose interest is subject to the federal alternative minimum tax for individuals (AMT securities).
(h) 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 the period end, the value of these securities amounted to $1,342,188 or 0.3% of net assets.
(i) Inverse floating rate security is a security where the coupon is inversely indexed to a floating interest rate multiplied by a specified factor. If the floating rate is high enough, the coupon rate may be zero or be a negative amount that is carried forward to reduce future interest and/or principal payments. The price may be considerably more volatile than the price of a comparable fixed rate security.
(j) Standard & Poor's Corporation credit ratings are used in the absence of a rating by Moody's Investors Service, Inc.
OTHER INFORMATION
The composition of long-term debt holdings as a percentage of total value of investments for the period ended is as follows (ratings are unaudited):
MOODY'S RATINGS S&P RATINGS
Aaa, Aa, A 60% AAA, AA, A 74%
Baa 21% BBB 16%
Ba .1% BB 0.0%
B 0.0% B 0.0%
Caa 0.0% CCC 0.0%
Ca, C 0.0% CC, C 0.0%
D 0.0%
The distribution of municipal securities by revenue source, as a percentage of total value of investments, is as follows:
Electric Revenue 19.9%
Transportation 19.8%
Health Care 18.1%
Water & Sewer 10.9%
General Obligation 10.3%
Others (individually
less than 10%) 21.0
TOTAL 100.0%

INCOME TAX INFORMATION
At November 30,1993 the aggregate cost of investment securities for income tax purposes was $411,813,630 Net unrealized appreciation aggregated $16,602,289, of which $17,978,595 related to appreciated investment securities and $1,376,306 related to depreciated investment securities.
The fund hereby designates $794,000 as a capital gain dividend for the purpose of the dividend paid deduction.
SPARTAN FLORIDA MUNICIPAL INCOME PORTFOLIO

FINANCIAL STATEMENTS

STATEMENT OF ASSETS AND LIABILITIES

<TABLE>
<CAPTION>
<S> <C> <C>
NOVEMBER 30, 1993

8.ASSETS	9.	10.
11.Investment in securities, at value (cost $411,813,630) (Notes 1 and 2) - See accompanying schedule	12.	$ 428,415,919
13.Cash	14.	241,924
15.Receivable for investments sold	16.	1,001,819
17.Interest receivable	18.	6,117,812
19.Receivable from investment adviser for expense reductions (Note 5)	20.	17,821
21. TOTAL ASSETS	22.	435,795,295
23.LIABILITIES	24.	25.
26.Payable for investments purchased	$ 6,559,318	27.
28.Dividends payable	672,981	29.
30.Accrued management fee	196,032	31.
32. TOTAL LIABILITIES	33.	7,428,331
34.35.NET ASSETS	36.	$ 428,366,964
37.Net Assets consist of:	38.	39.
40.Paid in capital	41.	$ 403,756,117
42.Accumulated undistributed net realized gain (loss) on investments	43.	8,008,558
44.Net unrealized appreciation (depreciation) on investment securities	45.	16,602,289
46.47.NET ASSETS, for 37,951,331 shares outstanding	48.	$ 428,366,964
49.50.NET ASSET VALUE, offering price and redemption price per share ($428,366,964 (divided by) 37,951,331 shares)	51.	$11.29

</TABLE>

STATEMENT OF OPERATIONS

<TABLE>
<CAPTION>

<S>	<C>	<C>
YEAR ENDED NOVEMBER 30, 1993		
52.INTEREST	53.	$ 21,762,517
54.EXPENSES	55.	56.
57.Management fee (Note 4)	$ 2,073,795	
58.Non-interested trustees' compensation	2,365	59.
60. Total expenses before reductions	2,076,160	61.

62. Expense reductions (Note 5)	(1,147,661)	928,499
63.NET INVESTMENT INCOME	64.	20,834,018
65.REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS (NOTES 1 AND 3)	67.	68.
66.Net realized gain (loss) on:		
69. Investment securities	8,367,459	70.
71. Futures contracts	(249,214)	8,118,245
72.Change in net unrealized appreciation (depreciation) on:	73.	74.
75. Investment securities	15,486,147	76.
77. Futures contracts	(50,618)	15,435,529
78.NET GAIN (LOSS)	79.	23,553,774
80.NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS	81.	$ 44,387,792

</TABLE>

STATEMENT OF CHANGES IN NET ASSETS

<TABLE>
<CAPTION>

<S> 82.	<C> YEAR ENDED NOVEMBER 30, 1993	<C> MARCH 16, 1992 (COMMENCEMENT OF OPERATIONS) TO NOVEMBER 30, 1992
83.INCREASE (DECREASE) IN NET ASSETS		
84.Operations Net investment income	$ 20,834,018	$ 5,269,681
85. Net realized gain (loss) on investments	8,118,245	117,708
86. Change in net unrealized appreciation (depreciation) on investments	15,435,529	1,166,760
87. NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS	44,387,792	6,554,149
88.Distributions to shareholders from: Net investment income	(20,834,018)	(5,269,681)
89. Net realized gain	(227,395)	-
90.Share transactions Net proceeds from sales of shares	242,254,359	250,151,152
91. Reinvestment of distributions from: Net investment income	13,798,681	3,577,304

92. Net realized gain	162,331	-
93. Cost of shares redeemed	(88,378,513)	(17,974,253)
94. Redemption fees (Note 1)	94,890	70,166
95. Net increase (decrease) in net assets resulting from share transactions	167,931,748	235,824,369
96. TOTAL INCREASE (DECREASE) IN NET ASSETS	191,258,127	237,108,837
97.NET ASSETS	98.	99.
100. Beginning of period	237,108,837	-
101. End of period	$ 428,366,964	$ 237,108,837
102.OTHER INFORMATION 103.Shares	104.	105.
106. Sold	22,071,403	23,926,650
107. Issued in reinvestment of distributions from: Net investment income	1,237,013	341,743
108. Net realized gain	15,431	-
109. Redeemed	(7,911,287)	(1,729,622)
110. Net increase (decrease)	15,412,560	22,538,771

</TABLE>

FINANCIAL HIGHLIGHTS

<TABLE>
<CAPTION>

<S> 111.	<C> YEAR ENDED NOVEMBER 30, 1993	<C> MARCH 16, 1992 (COMMENCEMENT OF OPERATIONS) TO NOVEMBER 30, 1992
112.SELECTED PER-SHARE DATA		
113.Net asset value, beginning of period	$ 10.520	$ 10.000
114.Income from Investment Operations Net investment income	.615	.459
115. Net realized and unrealized gain (loss) on investments	.777	.514
116. Total from investment operations	1.392	.973
117.Less Distributions From net interest income	(.615)	(.459)
118. From net realized gain on investments	(.010)	-

119. Total distributions	(.625)	(.459)
120.Redemption fees added to paid in capital	.003	.006
121.Net asset value, end of period	$ 11.290	$ 10.520
122.TOTAL RETURN (dagger)	13.52%	9.94%
123.RATIOS AND SUPPLEMENTAL DATA		
124.Net assets, end of period (000 omitted)	$ 428,367	$ 237,109
125.Ratio of expenses to average net assets	.25%	.03%*
126.Ratio of expenses to average net assets before expense reductions (dagger)(dagger)	.55%	.55%*
127.Ratio of net interest income to average net assets	5.52%	6.25%*
128.Portfolio turnover rate	50%	38%*

</TABLE>

* ANNUALIZED
(dagger) TOTAL RETURNS FOR PERIODS OF LESS THAN ONE YEAR ARE NOT ANNUALIZED.
(dagger)(dagger) SEE NOTE 5 OF NOTES TO FINANCIAL STATEMENTS.

SPARTAN FLORIDA MUNICIPAL MONEY MARKET PORTFOLIO

PERFORMANCE: THE BOTTOM LINE

To measure a money market fund's performance, you can look at either total return or yield. Total return reflects the change in a fund's share price over a given period, reinvestment of its dividends (or income), and the effect of the fund's $5 account closeout fee. Yield measures the income paid by a fund. Since a money market fund tries to maintain a $1 share price, yield is an important measure of performance.

CUMULATIVE TOTAL RETURNS

PERIODS ENDED NOVEMBER 30, 1993	PAST 1 YEAR	LIFE OF FUND
Spartan Florida Municipal Money Market Portfolio	2.50%	3.30%
Consumer Price Index	2.68%	3.48%
Average All Tax-Free Money Market Fund	2.00%	2.64%

CUMULATIVE TOTAL RETURNS reflect actual performance over a set period - one year, or since the fund started on August 24,1992. For example, if you invested $1,000 in a fund that had a 5% return over the past year, you would end up with $1,050. Comparing the fund's performance to the consumer price index (CPI) helps show how your investment did compared to inflation. To measure how the fund stacked up against its peers, you can compare its return to the average all tax-free money market fund's total return. This average currently reflects the performance of 333 tax-free money market funds tracked by IBC/Donoghue. (The periods covered by the CPI and IBC/Donoghue numbers are the closest available match to those covered by the fund.)

AVERAGE ANNUAL TOTAL RETURNS

PERIODS ENDED NOVEMBER 30, 1993	PAST 1 YEAR	LIFE OF FUND
Spartan Florida Municipal Money Market Portfolio	2.50%	2.59%
Consumer Price Index	2.68%	2.77%
Average All Tax-Free Money Market Fund	2.00%	2.03%

AVERAGE ANNUAL TOTAL RETURNS take the fund's actual (or cumulative) return and show you what would have happened if the fund had achieved that return by performing at a constant rate each year.
YIELDS

<TABLE>
<CAPTION>

<S>	<C> 11/30/92	<C> 2/28/93	<C> 5/31/93	<C> 8/31/93	<C> 11/30/93
Spartan Florida Municipal Money Market Portfolio	2.65%	2.29%	2.80%	2.48%	2.26%
Average Tax-Free Money Market Fund	2.18%	1.82%	2.20%	2.00%	1.94%
Spartan Florida Municipal Money Market Portfolio - Tax-equivalent	4.14%	3.58%	4.38%	3.88%	3.53%
Average All Taxable Money Market Fund	2.77%	2.71%	2.64%	2.64%	2.69%

</TABLE>

Row: 1, Col: 1, Value: 2.65
Row: 1, Col: 2, Value: 2.18
Row: 2, Col: 1, Value: 2.29
Row: 2, Col: 2, Value: 1.82
Row: 3, Col: 1, Value: 2.8
Row: 3, Col: 2, Value: 2.2
Row: 4, Col: 1, Value: 2.48
Row: 4, Col: 2, Value: 2.0
Row: 5, Col: 1, Value: 2.26
Row: 5, Col: 2, Value: 1.94
Spartan Florida
Municipal Money
Market Portfolio
Average Florida
Tax-Free Money
Market Fund

3% -
2% -
1% -
0%

YIELD refers to the income paid by the fund over a given period. Yields for money market funds are usually for seven-day periods, expressed as annual percentage rates. A yield that assumes income earned is reinvested or compounded is called an effective yield. The chart above shows the fund's current seven-day yield at quarterly intervals over the past year. This would have been lower if Fidelity had not reimbursed certain fund expenses. You can compare these yields to the average all tax-free money market fund. Or you can look at the fund's tax-equivalent yield, which is based on a combined effective 1993 federal tax rate of 36%. The tax-equivalent figures are useful in seeing how the fund stacked up against the average taxable money market fund as tracked by IBC/Donoghue.

A MONEY MARKET FUND'S TOTAL RETURNS AND YIELDS REFLECT PAST RESULTS RATHER THAN PREDICT FUTURE PERFORMANCE.

COMPARING
PERFORMANCE

Yields on tax-free investments are usually lower than yields on taxable investments. However, a straight comparison between the two may be misleading because it ignores the way taxes reduce taxable returns. Tax-equivalent yield -- the yield you'd have to earn on a similar taxable investment to match the tax-free yield -- makes the comparison more meaningful.

Keep in mind that the U.S. government neither insures nor guarantees a money market fund. In fact, there is no assurance that a money fund will maintain a $1 share price.

(checkmark)

SPARTAN FLORIDA MUNICIPAL MONEY MARKET PORTFOLIO

FUND TALK: THE MANAGER'S OVERVIEW

An interview with Deborah Watson,
Portfolio Manager of Spartan Florida
Municipal Money Market Portfolio

Q. DEB, CAN YOU DESCRIBE THE CONDITIONS YOU'VE FACED FOR THE LAST YEAR?

A. Sure. In terms of interest rates, there's not much to report. Tax-free short-term rates took their cue from the federal funds rate, which held steady at or near 3% all year. We encountered renewed inflation fears last May, and again in late October. But both episodes were temporary, and so did not significantly influence the way I managed the fund. In the absence of major interest-rate swings, technical factors also played an important part in guiding my strategy.

Q. IN WHAT WAY?

A. Like most states, Florida does the bulk of its borrowing in mid-summer. The annual increase in supply generally presents a good buying opportunity, and I anticipated that by gradually lowering the fund's average maturity into the 30-day range by the end of June. Then, as supply entered the market and interest rates remained stable, I bought longer-term issues and extended the fund's average maturity again - to 79 days by the end of October. Throughout November, I maintained a long average maturity, this time in anticipation of the flood of new assets into the fund that occurs each year in the weeks leading up to January 1, when Florida levies its intangibles tax. But supply was scarce, and by the end of November, the average maturity rolled down slightly to 66 days.

Q. HOW DID THE FUND PERFORM?

A. The fund's seven-day yield on November 30, 1993 was 2.26%, compared to 2.65% last year. The tax-equivalent yield for investors in the 36% federal tax bracket was 3.53%. Total return for the same period was 2.50%. That beat the total return of the average all tax-free money market fund tracked by IBC/Donoghue, which was 2.00%.

Q. WHY DID THE FUND BEAT ITS PEERS?

A. There were several factors: successful interest-rate forecasting; a 25% stake in issues subject to the alternative minimum tax, which offer more yield; and a 14% stake in some simple derivatives. The derivatives I bought combine a long-term municipal bond with a "put," or an option to sell to a third party, typically a bank. The end product is an investment that pays a short-term variable interest rate and can be put on short notice, usually seven days. It acts much like any other variable rate demand note the fund might own, with one key difference: the yield is slightly higher, a fact that has more to do with the added complexity of these instruments than added investment risk.

Q. WHAT'S AHEAD FOR THE FUND?

A. Shareholders can expect a sharp increase in the percentage of the fund's variable rate demand notes (VRDN) as we approach January 1, and a corresponding drop in the fund's average maturity. That trend should begin to reverse itself later in January as assets flow back out of the fund. In the months ahead, the short-term market may experience some volatility. I expect the economy to continue to show sporadic signs of improvement, leading to growing expectations that the fed may move to increase rates. Therefore, I would probably take a more defensive approach, and keep the average maturity somewhere between 50 and 65 days.

FUND FACTS

GOAL: income exempt from federal income tax and the Florida intangible personal property tax and stability by investing in high-quality, short-term Florida municipal securities

START DATE: August 24, 1992

SIZE: as of November 30, 1993, over $300 million

MANAGER: Deborah Watson, since August 1992; manager, Spartan California and Pennsylvania Municipal Money Market Portfolios, since 1989; and Fidelity California Tax-Free Money Market Fund, since 1988

(checkmark)

WORDS TO KNOW

COMMERCIAL PAPER: A security issued by a municipality to finance capital or operating needs.

FEDERAL FUNDS RATE: The interest rate banks charge each other for overnight loans.

MATURITY: The time remaining before an issuer is scheduled to repay the principal amount on a debt security. When the fund's average maturity - weighted by dollar amount - is short, the fund manager is anticipating a rise in interest rates. When the average maturity is long, the manager is expecting rates to fall. When the average maturity is neutral, the manager wants the flexibility to respond to rising rates, while still capturing a portion of the higher yields available from issues with longer maturities.

MUNICIPAL NOTE: A security issued in advance of future tax or other revenues and payable from those specific sources.

TENDER BOND: A variable-rate, long-term security that gives the bond holder the option to redeem the bond at face value before maturity.

VARIABLE RATE DEMAND NOTE (VRDN): A tender bond that can be redeemed on short notice, typically one or seven days. VRDNs are useful in managing the fund's average maturity and liquidity.

SPARTAN FLORIDA MUNICIPAL MONEY MARKET PORTFOLIO

INVESTMENT CHANGES

MATURITY DIVERSIFICATION

DAYS	% OF FUND ASSETS 11/30/93	% OF FUND ASSETS 5/31/93	% OF FUND ASSETS 11/30/92
0 - 30	63	66	64
31 - 90	13	18	20
91 - 180	1	10	1
181 - 397	23	6	15

WEIGHTED AVERAGE MATURITY

	11/30/93	5/31/93	11/30/92
Spartan Florida Municipal Money Market Portfolio	66 days	46 days	60 days
Average Florida Tax-Free Money Market Fund*	64 days	48 days	62 days

ASSET ALLOCATION

AS OF 11/30/93 AS OF 11/30/92

Row: 1, Col: 1, Value: 59.0

Row: 1, Col: 2, Value: 15.0
Row: 1, Col: 3, Value: 0.0
Row: 1, Col: 4, Value: 18.0
Row: 1, Col: 5, Value: 8.0
Row: 1, Col: 1, Value: 56.0
Row: 1, Col: 2, Value: 28.0
Row: 1, Col: 3, Value: 2.0
Row: 1, Col: 4, Value: 14.0
Row: 1, Col: 5, Value: 2.0
Variable rate
demand notes
(VRDNs) 59%
Commercial
paper 15%
Tender bonds 0%
Municipal
notes 18%
Other 8%
Variable rate
demand notes
(VRDNs) 56%
Commercial
paper 28%
Tender bonds 1%
Municipal
notes 14%
Other 1%
* SOURCE: IBC/DONOGHUE'S MONEY FUND REPORT(Registered trademark)
SPARTAN FLORIDA MUNICIPAL MONEY MARKET PORTFOLIO

INVESTMENTS/NOVEMBER 30, 1993
(Showing Percentage of Total Value of Investments)

MUNICIPAL SECURITIES (A) - 100%
PRINCIPAL VALUE
AMOUNT (NOTE 1)
FLORIDA - 100%
Alachua County Health Facs. (Academic Research Bldg.
Proj. 1989) 2.75% 1/7/94, LOC Barnett Bank of
Jacksonville, VT $ 1,500,000 $ 1,500,000 0106859A
Alachua County Bonds 4.30% 2/1/94, (FSA Insured) 2,340,000 2,346,583
010691BH
Brevard County Hsg. Fin. Auth. (Sun Pointe Bay Apts. Proj.)
Series 1993 2.40%, VRDN 500,000 500,000 106904EC
Brevard County Hsg. Rev. (Palm Place Hsg. Proj.)
Series 1985, 2.30%, LOC Chemical Bank ,VRDN 2,160,000 2,160,000
106904DY
Broward County Airport System Rev. 2.90% 10/1/94
(AMBAC Insured) (c) 1,500,000 1,501,181 114894AU
Broward County Fin. Auth. Multi-Family Hsg. Rev.
(Parkview Partnership Ltd. Proj.)
Series 1985, 2.675%, LOC Fuji Bank, VRDN 200,000 200,000 115027CL
Broward County Hsg. Fin. Auth. (Sawgrass Pines Apt. Proj.)
Series 1993 A, 2.80%, LOC First Union Bank of Florida (c) 11,000,000
11,000,000 115027CX
Broward County Ind. Dev. Auth. Ind. Dev. Rev. (Rib Associates
Proj.) Series 1989, 2.55%, LOC Sun Bank, VRDN (c) 1,540,000 1,540,000
115032AA
Broward County Sales Tax Rev. Notes Series 1989 B, CP (c):
2.45%, 12/14/93, LOC Industrial Bank of Japan 500,000 499,972 1150329P
2.70%, 1/12/94, LOC Industrial Bank of Japan 2,400,000 2,400,000
1150329N

Charlotte County School Dist. TAN, Series 1993,
3.25% 6/30/94   6,750,000 6,769,155 160803AX
Collier County Ind. Dev. Auth. Wtr. & Swr. Ind. Dev. Rev.
(Marco Island Util. Proj.) Series 1992, 2.55%
LOC Sun Bank, VRDN (c)   5,125,000 5,125,000 19464TAB
Collier County Wtr. & Swr. Ind. Dev. Rev. Series 1990
(Marco Island Util. Proj.) 2.55%, LOC Sun Bank,
VRDN (c)   6,700,000 6,700,000 19464TAA
Dade County Aviation Facs. Rev., Series 1984 A, 2.40%,
LOC Fuji Bank, VRDN   2,500,000 2,500,000 233455FK
Dade County Health Facs. Auth. Hosp. Rev. Bonds (Baptist
Hosp. of Miami Proj.) 6.20% 5/1/94   1,320,000 1,339,275 233904FE
Dade County Ind. Dev. Rev. VRDN:
(Montenay-Dade Proj.) :
Series 1988, 2.40%, LOC Banque Paribas (c)   3,500,000 3,500,000
233494AP
Series 1990 A, 2.40%, LOC Banque Paribas (c)   18,840,000 18,840,000
233561AB
(Dolphins Stadium Proj.) :
Series 1985 B, 2.40%, LOC Citibank, Marine Midland
Bank   2,900,000 2,900,000 233905BA
Series 1985 C, 2.40%, LOC Citibank   2,400,000 2,400,000 233905BB
Series 1985 D, 2.40%, LOC Citibank   1,300,000 1,300,000 233905BC
MUNICIPAL SECURITIES (A) - CONTINUED
PRINCIPAL VALUE
AMOUNT (NOTE 1)
FLORIDA - CONTINUED
Dade County Ind. Dev. Rev. VRDN: - continued
(Flamingo Graphics Proj.) Series 1989, 2.55%
LOC Sun Bank (c) $ 485,000 $ 485,000 233905BV
(Guastafeste Proj.) Series 1987, 2.55%,
LOC Sun Bank (c)   835,000 835,000 233905BN
(Guastafeste Proj.) Series 1991, 2.55%
LOC Sun Bank (c)   815,000 815,000 233905CQ
Dade County Multi-Family Hsg. Rev. (Biscayne View
Apts. Proj.) Series 1993, 2.70%, (BPA Commonwealth
Life Ins. Co.), VRDN (c)   15,000,000 15,000,000 233911HX
Duval County Multi-Family Hsg. Fin. Auth. Rev. (Lakes
of Mayport Apts.) Series 1985 F, 2.60%, LOC Bank of
Boston, VRDN   3,200,000 3,200,000 267152EV
Escambia Co. Solid Waste. Disp. Rev. (Monsanto Co. Proj.),
Series 1993, 2.65%, VRDN, (c)   5,300,000 5,300,000 296163AZ
Florida Dept. of Trans. Tpk. Rev. Rfdg. Ctfs. of Partnership,
Series 1993 A, 2.55%, (FGIC Insured),
(Liquidity Enhancement Merrill Lynch) (b)   12,360,000 12,360,000
343136GC
Florida Hsg. Fin. Agcy. Mult-Family Gtd. Mtg. Rev., VRDN:
Series 1983 K, 2.40%   1,160,000 1,160,000 340737KW
Series 1983 J, 2.40%   2,400,000 2,400,000 340737KV
Florida Hsg. Fin. Agcy. Multi-Family Hsg. Rev., VRDN:
(Beville-Oxford Proj.) Series 1990 B, 2.50%   1,000,000 1,000,000
3407375U
(Brandon-Oxford Proj.) Series 1990 C, 2.50%   5,500,000 5,500,000
3407375T
(Hillsborough-Oxford Proj.) Series D, 2.50%   200,000 200,000 3407375V
(Players Club) Series 1991 C, 3.12%,
LOC Sumitomo Trust   7,100,000 7,100,000 3407376B
(Town Colony II Proj.) Series 1985 EE, 2.40%   1,000,000 1,000,000
340737ZS
Florida League of Cities First Muni. Pooled Loan Prog.,VT:
Series 1, 2.70% 1/18/94, LOC Sumitomo Bank   5,500,000 5,500,000
321991CF
Series 2, 2.75% 1/25/94, LOC Sumitomo Bank   2,900,000 2,900,000

321991CD
Series 2, 2.70% 1/20/94, LOC Sumitomo Bank 2,000,000 2,000,000
321991CH
Florida Muni. Pwr. Agcy., Ctfs. of Partnership
(Stanton II Proj.) Series 1993, 2.55%, (AMBAC Insured),
(Liquidity Enhancement Merrill Lynch) (b) 3,660,000 3,660,000 342816LF
Florida State Board of Ed. Cap. Outlay Multi Modal
Tender Option Bonds, Series 1993 A, 2.55%, (Liquidity
Enhancement Citibank) (b) 5,230,000 5,230,000 341421LX
MUNICIPAL SECURITIES (A) - CONTINUED
PRINCIPAL VALUE
AMOUNT (NOTE 1)
FLORIDA - CONTINUED
Florida State Board of Ed. Cap. Outlay, Series 86 A,
BTP Class A Ctfs., 2.50% (Liquidity Enhancement
Banker's Trust) (b) $ 4,008,600 $ 4,008,600 341421RJ
Florida State Board of Ed. Cap. Outlay Pub Ed.Gen. Oblig.:
Series B, 5.30%, 6/1/94 1,500,000 1,518,838 341421GJ
Series C, 4.80%, 6/1/94 4,700,000 4,749,294 341421MA
Florida State Div. Fin. Dept. Natural Resource Preservation,
Series 2000 A, 6.10% 7/1/94, (AMBAC Insured) 1,000,000 1,018,838
342812QH
Hillsborough County Cap. Impt. Prog. Rev. (Criminal
Justice Facs. Proj. 4.75%, 8/1/94, (FGIC Insured) 3,035,000 3,069,525
43232FCE
Hillsborough County Ind. Dev. Auth. Poll. Cont. Rev. Rfdg.,
(Tampa Elec. Co. Gann Coal Proj.) Series 1992,
1.90%, VRDN 700,000 700,000 432320CM
Homestead Spl. Ins. Assessment Rev. Bonds
(Hurricane Andrew Cvd. Claims)
Series 1993, 2.875% 3/1/94, (MBIA Insured) 1,200,000 1,200,000 437762AB
Indian River County Hosp. Dist. Hosp. Rev.:
Series 1985, 2.50%, LOC Kredietbank, VRDN 2,600,000 2,600,000
454408AB
Series 1988, 2.75%, 1/21/94, LOC Kredietbank, VT 2,350,000 2,350,000
45499CAE
Series 1989, 2.65% 12/7/93, LOC Kredietbank, VT 1,200,000 1,200,000
45499CAA
Series 1989, 2.80% 1/25/94, LOC Kredietbank, VT 3,000,000 3,000,000
45499CAC
Series 1990, 2.80% 2/17/94, LOC Kredietbank, VT 5,000,000 5,000,000
45499CAG
Indian Trace Commty. Dev. Dist. (Broward Co. Basin I
Wtr. Mgmt. Spl. Benefit), VT:
Series 1991:
3.10% 12/6/93, LOC Tokai Bank 1,500,000 1,500,000 227994JR
3.10% 12/7/93, LOC Tokai Bank 2,000,000 2,000,000 227994JT
3.10% 12/6/93, LOC Tokai Bank 3,000,000 3,000,000 227994JS
Jacksonville Elec. Auth. Rev. Ctfs. of Partnership, 2.50%, 4693635T
(Liquidity Enhancement Merrill Lynch) (b) 3,320,000 3,320,000
4693635T
Jacksonville Elec. Auth. Rev. (St. John's River Pwr. Pk. Sys.)
10% 10/1/94 3,000,000 3,235,092 469363FW
Jacksonville Hosp. Rev. (Baptist Medical Ctr. Proj.), VRDN: 469404CZ
Series 1984, 2.30%, LOC First Union Nat'l Bank 4,710,000 4,710,000
469404CZ
Series 1989, 2.30%, LOC First Union Nat'l Bank 550,000 550,000
46940TAF
Jacksonville Ind. Dev. Rev. (Samuel C. Taylor Foundation
1987 Proj.) 2.55%, LOC Barnett Bank of
Jacksonville, VRDN 1,800,000 1,800,000 469407AY
Lee County Gas Tax Ref. Bd. 3.25% 10/1/94
(MBIA Insured)(d) 1,260,000 1,264,864 52349LAQ

Lee County Hosp. Board Hosp. Rev. Series 1992 C,
(Lee Memorial Hosp. Proj.) 2.70% 1/14/94, VT 3,000,000 3,000,000
523995AE
MUNICIPAL SECURITIES (A) - CONTINUED
PRINCIPAL VALUE
AMOUNT (NOTE 1)
FLORIDA - CONTINUED
Marion County Hsg. Fin. Auth. VRDN:
(Belvedere Apt. Proj.) Series 1985 C, 2.60%,
LOC Bank of Boston $ 2,650,000 $ 2,650,000 568788AA
(Oakhurst Apt. Proj.) Series 1985 E, 2.60%,
LOC Bank of Boston 2,700, 568788AB000 2,700,000
(Paddock Place Proj.) Series 1985 F, 2.60%,
LOC Bank of Boston 2,500,000 2,500,000 568788AC
(Summer Trace Apts.) Series 1985 D, 2.60%
LOC Bank of Boston 2,500,000 2,500,000 568788AD
Martin County Ind. Dev. Auth. Ind. Dev. Rev.
Series 1992 A, (Indiantown Cogeneration Proj.) 2.40%,
LOC Credit Suisse, VRDN (c) 2,900,000 2,900,000 573904AF
Martin County School Dist. TAN 3.40% 6/30/94 5,000,000 5,012,667
573900BA
Miami TAN 3.25% 9/28/94 5,000,000 5,018,856 593388T2
Monroe County School Dist. RAN Series 1992, 3.25%
12/28/93 2,500,000 2,500,000 610518AG
Ocean Hwy, & Port Auth. Series 1990, 2.55%,
LOC ABN-AMRO Bank, VRDN (c) 5,300,000 5,300,00 678438AA0
Okeechobee County Solid Waste Rev. (Chambers Waste Sys.)
Series 1992, 2.90%, LOC NationsBank, VRDN (c) 1,000,000 1,000,000
678438AA
Orange County Health Facs Auth. Custodial Receipt,
Series 1993, 2.60%, (MBIA Insured)
(Liquidity Enhancement Sakura Bank) (b) 13,435,000 13,435,000 684503SY
Orange County Health Fac. Auth. Rfdg. Prog. Rev. Series 1985
2.75%, 1/11/94, (MBIA Insured), VT 3,000,000 3,000,000 68499CAD
Orange County School Dist. TAN 3% 6/30/94 23,500,000 23,536,879
684519AQ
Orange County Solid Waste Facs. Rev. Rfdg. Series 1993,
3.50% 10/1/94 (MBIA Insured) 1,170,000 1,176,666 684534BQ
Orlando & Orange Expressway Rev. Auth. Rev.
Ctfs. of Partnership, 2.55%, (AMBAC Insured)
(Liquidity Enhancement Merrill Lynch) (b) 6,300,000 6,300,000
686543JX
Orlando Util. Commission Wtr. & Elec. Rev. 10.50%
10/1/94 1,360,000 1,485,413 686509RS
Palm Beach County Hsg. Fin. Auth. Rev. (Lake Crystal
Apts. Proj. Phase II) Series 1988 A, 2.50%,
LOC Citibank, VRDN (c) 7,480,000 7,480,000 696508CV
Pasco County School Dist. TAN 3.25% 6/30/94 6,800,000 6,819,297
702537CW
Pasco County School Dist. TRAN 3% 10/27/94 2,160,000 2,160,000 702537CX
Pinellas County Health Facs. Auth. Rev. (Pooled Hosp. Loan
Prog.) 2%, LOC Chemical Bank, VRDN 1,100,000 1,100,000 72316MAA
Putnam County Solid Wst. Assessment Rfdg. Bonds,
Series 1993, 2.70% 6/1/94, (MBIA Insured) 955,000 955,000 746483AN
St. Lucie County School Dist. TAN 3.25% 6/30/94 4,400,000 4,406,047
792076BV
MUNICIPAL SECURITIES (A) - CONTINUED
PRINCIPAL VALUE
AMOUNT (NOTE 1)
FLORIDA - CONTINUED
St. Lucie School Dist RAN 3.75% 4/18/94 $ 2,600,000 $ 2,603,320 792076BU
Sarasota County Pub. Hosp. Dist. Rev., VT:
(Sarasota Memorial Hosp.):

Series 1991, 2.75% 1/13/94   2,700,000 2,700,000 803996LC
Series 1993 A, 2.60% 1/6/94   5,000,000 5,000,000 803996LV
TOTAL INVESTMENTS - 100% $ 319,700,362

Total Cost for Income Tax Purposes $ 319,700,345

SECURITY TYPE ABBREVIATIONS
BAN - Bond Anticipation Notes
CP - Commercial Paper
FRDN - Floating Rate Demand Notes
MT - Mandatory Tender
OT - Optional Tender
RAN - Revenue Anticipation Notes
TAN - Tax Anticipation Notes
TRAN - Tax & Revenue Anticipation Notes
VRDN - Variable Rate Demand Notes
VT - Variable Tender
LEGEND
(k) The coupon rate shown on floating or adjustable rate securities represents the rate at period end.
(l) Provides evidence of ownership in an underlying pool of municipal bonds.
(m) Private activity obligations whose interest is subject to the federal alternative minimum tax for individuals (AMT securities).
(n) Security purchased on a delayed delivery basis. Interest rate to be determined at settlement date (see Note 2 of Notes to Financial Statements).
CAPITAL LOSS CARRYFORWARDS
At November 30,1993, the fund had a capital loss carryforward of approximately $1200 of which $100, and $1,100 will expire on November 30, 2000, and 2001, respectively.
SPARTAN FLORIDA MUNICIPAL MONEY MARKET PORTFOLIO

FINANCIAL STATEMENTS

STATEMENT OF ASSETS AND LIABILITIES

<TABLE>
<CAPTION>

<S>	<C>	<C>
NOVEMBER 30, 1993		
129.ASSETS	130.	131.
132.Investment in securities, at value (Note 1) - See accompanying schedule	133.	$ 319,700,362
134.Cash	135.	4,159,249
136.Interest receivable	137.	1,697,836
138. TOTAL ASSETS	139.	325,557,447
140.LIABILITIES	141.	142.
143.Payable for investments purchased	$ 18,697,119	144.
145.Dividends payable	28,361	146.

147.Accrued management fee 91,074 148.

149. TOTAL LIABILITIES 150. 18,816,554

151.152.NET ASSETS 153. $ 306,740,893

154.Net Assets consist of: 155. 156.

157.Paid in capital 158. $ 306,742,133

159.Accumulated net realized gain (loss) on investments 160. (1,257)

161.Unrealized gain from accretion of market discount (Note 1) 162. 17

163.164.NET ASSETS, for 306,742,133 shares outstanding 165. $ 306,740,893

166.167.NET ASSET VALUE, offering price and redemption price per share ($306,740,893 (divided by) 306,742,133 shares) 168. $1.00

</TABLE>

STATEMENT OF OPERATIONS

<TABLE>
<CAPTION>
<S> <C> <C>
YEAR ENDED NOVEMBER 30, 1993

169.INTEREST INCOME 170. $ 5,435,697

171.EXPENSES 172. 173.

174.Management fee (Note 4) $ 1,021,002

175.Non-interested trustees' compensation 1,223 176.

177. Total expenses before reductions 1,022,225 178.

179. Expense reductions (Note 5) (655,781) 366,444

180.NET INTEREST INCOME 181. 5,069,253

182.REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS (NOTE 1) 184. (1,143)
183.Net realized gain (loss) on investment securities

185.Increase (decrease) in net unrealized gain from accretion of market discount 186. 17

187.NET GAIN (LOSS) 188. (1,126)

189.NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS 190. $ 5,068,127

</TABLE>

STATEMENT OF CHANGES IN NET ASSETS

<TABLE>
<CAPTION>

<S>	<C> YEAR ENDED NOVEMBER 30, 1993	<C> AUGUST 24, 1992 (COMMENCEMENT OF OPERATIONS) TO NOVEMBER 30, 1992
191.INCREASE (DECREASE) IN NET ASSETS		
192.Operations Net interest income	$ 5,069,253	$ 124,626
193. Net realized gain (loss) on investments	(1,143)	(114)
194. Increase (decrease) in net unrealized gain from accretion of market discount	17	-
195. NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS	5,068,127	124,512
196.Dividends to shareholders from net interest income	(5,069,253)	(124,626)
197.Share transactions at net asset value of $1.00 per share Proceeds from sales of shares	523,059,131	58,251,173
198. Reinvestment of dividends from net interest income	4,777,607	112,763
199. Cost of shares redeemed	(270,561,793)	(8,896,748)
200. Net increase (decrease) in net assets and shares resulting from share transactions	257,274,945	49,467,188
201. TOTAL INCREASE (DECREASE) IN NET ASSETS	257,273,819	49,467,074
202.NET ASSETS	203.	204.
205. Beginning of period	49,467,074	-
206. End of period	$ 306,740,893	$ 49,467,074

</TABLE>

FINANCIAL HIGHLIGHTS

<TABLE>
<CAPTION>

<S> 207.	<C> YEAR ENDED NOVEMBER 30, 1993	<C> AUGUST 24, 1992 (COMMENCEMENT OF OPERATIONS) TO NOVEMBER 30, 1992
208.SELECTED PER-SHARE DATA		

209.	Net asset value, beginning of period	$ 1.000	$ 1.000
210.	Income from Investment Operations Net interest income	.025	.008
211.	Dividends from net interest income	(.025)	(.008)
212.	Net asset value, end of period	$ 1.000	$ 1.000
213.	TOTAL RETURN (dagger)	2.51%	.78%
214.	RATIOS AND SUPPLEMENTAL DATA		
215.	Net assets, end of period (000 omitted)	$ 306,741	$ 49,467
216.	Ratio of expenses to average net assets	.18%	-%
217.	Ratio of expenses to average net assets before expense reductions (dagger)(dagger)	.50%	.50%*
218.	Ratio of net interest income to average net assets	2.48%	2.91%*

</TABLE>

* ANNUALIZED
(dagger) TOTAL RETURNS FOR PERIODS OF LESS THAN ONE YEAR ARE NOT ANNUALIZED.
(dagger)(dagger) SEE NOTE 5 OF NOTES TO FINANCIAL STATEMENTS.

NOTES TO FINANCIAL STATEMENTS
for the period ended November 30, 1993

1. 2. SIGNIFICANT ACCOUNTING POLICIES.

Spartan Florida Municipal Income Portfolio(the income fund) is a fund of Fidelity Court Street Trust. Spartan Florida Municipal Money Market Portfolio (the money market fund) is a fund of Fidelity Court Street Trust II. Each trust is registered under the Investment Company Act of 1940, as amended (the 1940 Act), as an open-end management investment company. Fidelity Court Street Trust and Fidelity Court Street Trust II (the trusts) are organized as a Massachusetts business trust and a Delaware business trust, respectively. Each fund is authorized to issue an unlimited number of shares. The following summarizes the significant accounting policies of the money market fund and the income fund:

SECURITY VALUATION.

MONEY MARKET FUND. As permitted under Rule 2a-7 of the 1940 Act, and certain conditions therein, securities are valued initially at cost and thereafter assume a constant amortization to maturity of any discount or premium.

INCOME FUND. Securities are valued based upon a computerized matrix system and/or appraisals by a pricing service, both of which consider market transactions and dealer-supplied valuations. Short-term securities maturing within sixty days are valued either at amortized cost or original cost plus accrued interest, both of which approximate current value. Securities for which quotations are not readily available through the pricing service are valued at their fair value as determined in good faith under consistently applied procedures under the general supervision of the Board of Trustees.

INCOME TAXES. As a qualified regulated investment company under Subchapter M of the Internal Revenue Code, each fund is not subject to income taxes to the extent that it distributes all of its taxable income for the fiscal year. The schedules of investments include information regarding income taxes under the caption "Income Tax Information."

INTEREST INCOME. Interest income, which includes amortization of premium and accretion of original issue discount, is accrued as earned. For the money market fund, accretion of market discount represents unrealized gain until realized at the time of a security disposition or maturity.
EXPENSES. Most expenses of each trust can be directly attributed to a fund. Expenses which cannot be directly attributed are apportioned between the funds in the trust.
DISTRIBUTIONS TO SHAREHOLDERS. Dividends are declared daily and paid monthly from net interest income. Distributions to shareholders from realized capital gains on investments, if any, are recorded on the ex-dividend date.
REDEMPTION FEES. Shares held in the income fund less than 180 days are subject to a redemption fee equal to .50% of the proceeds of the redeemed shares.
1. SIGNIFICANT ACCOUNTING
POLICIES - CONTINUED
A portion of the fee is accounted for as a reduction of transfer agent expenses. This portion of the redemption fee is used to offset the transaction costs and other expenses that short-term trading imposes on the fund and its shareholders. The remainder of the redemption fee is accounted for as an addition to paid in capital.
SECURITY TRANSACTIONS. Security transactions are accounted for as of trade date. Gains and losses on securities sold are determined on the basis of identified cost.
3. 4. OPERATING POLICIES.
FUTURES CONTRACTS AND OPTIONS. The income fund may invest in futures contracts and write options. These investments involve, to varying degrees, elements of market risk and risks in excess of the amount recognized in the Statement of Assets and Liabilities. The face or contract amounts reflect the extent of the involvement the high yield fund has in the particular classes of instruments. Risks may be caused by an imperfect correlation between movements in the price of the instruments and the price of the underlying securities and interest rates. Risks also may arise if there is an illiquid secondary market for the instruments, or due to the inability of counterparties to perform.
Futures contracts are valued at the settlement price established each day by the board of trade or exchange on which they are traded. Options traded on an exchange are valued using the last sale price or, in the absence of a sale, the last offering price. Options traded over-the-counter are valued using dealer-supplied valuations.
DELAYED DELIVERY TRANSACTIONS. The fund may purchase or sell securities on a when-issued or forward commitment basis. Payment and delivery may take place a month or more after the date of the transaction. The price of the underlying securities and the date when the securities will be delivered and paid for are fixed at the time the transaction is negotiated. The fund may receive compensation for interest forgone on entering into delayed delivery transactions. The fund identifies securities as segregated in its custodial records with a value at least equal to the amount of the purchase commitment.
5. 6. PURCHASES AND SALES OF
INVESTMENTS.
INCOME FUND. Purchases and sales of securities, other than short-term securities, aggregated $507,056,918 and $333,830,247 respectively. The face value of futures contracts opened and closed amounted to $ 67,962,094 and $75,462,094, respectively
7. 8. FEES AND OTHER TRANSACTIONS WITH AFFILIATES.
MANAGEMENT FEE. As each fund's investment adviser, Fidelity Management & Research Company (FMR) pays all expenses except the compensation of
4. FEES AND OTHER TRANSACTIONS WITH AFFILIATES - CONTINUED
MANAGEMENT FEE - CONTINUED
the non-interested Trustees and certain exceptions such as interest, taxes, brokerage commissions and extraordinary expenses. FMR receives a fee that is computed daily at an annual rate of .50% and .55% of average net assets

for the money market and income funds, respectively.
FMR also bears the cost of providing shareholder services to each fund. For the period, FMR or its affiliates collected certain transaction fees from shareholders which aggregated $4,401 and $4,170 for the Money Market and Income funds, respectively.
SUB-ADVISER FEE. As the money market fund's investment sub-adviser, FMR Texas Inc., a wholly owned subsidiary of FMR, receives a fee from FMR of 50% of the management fee payable to FMR. The fee is paid prior to any voluntary expense reimbursements which may be in effect, and after reducing the fee for any payments by FMR pursuant to the fund's Distribution and Service Plan.
9. 10. EXPENSE REDUCTIONS.
FMR has voluntarily agreed to reimburse the funds for total operating expenses (excluding interest, taxes, brokerage commissions and extraordinary expenses) above a specified percentage of average net assets.
MONEY MARKET FUND. For the period, this expense limitation ranged from an annual rate of 0% to .40% of average net assets and the reimbursement amounted to $655,781.
INCOME FUND. For the period, this expense limitation ranged from an annual rate of .05% to .50% of average net assets and the reimbursement amounted to $1,147,661.
REPORT OF INDEPENDENT ACCOUNTANTS

To the Trustees of Fidelity Court Street
Trust and Fidelity Court Street Trust II
and the Shareholders of the
Spartan Florida Municipal Income
Portfolio and the Spartan Florida
Municipal Money Market Portfolio:
We have audited the accompanying statements of assets and liabilities of Spartan Florida Municipal Income Portfolio, a portfolio of the Fidelity Court Street Trust, and Spartan Florida Municipal Money Market Portfolio , a portfolio of Fidelity Court Street Trust II, including the schedules of portfolio investments, as of November 30, 1993, the related statements of operations for the year then ended, and the statements of changes in net assets and the financial highlights for the year ended November 30 ,1993 and the period from March 16, 1992 (commencement of operations) to November 30, 1992 for the Spartan Municipal Income Portfolio, and the year ended November 30, 1993 and the period from August 24, 1992 (commencement of operations) to November 30, 1992 for the Spartan Florida Municipal Money Market Portfolio .These financial statements and financial highlights are the responsibility of the Funds' management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.
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 November 30, 1993 by correspondence with the custodian and brokers. 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 Spartan Florida Municipal Income Portfolio and Spartan Florida Municipal Money Market Portfolio as of November 30, 1993, the results of their operations for the year then ended and the changes in their net assets and financial highlights for the year ended November 30,1993 and the period from March 16, 1992 (commencement of operations) to November 30, 1992 for

the Spartan Municipal Income Portfolio, and the year ended November 30,
1993 and the period from August 24,1992 (commencement of operations) to
November 30, 1992 for the Spartan Florida Municipal Money Market Portfolio
in conformity with generally accepted accounting principals.
COOPERS & LYBRAND
Boston, Massachusetts
December 30, 1993
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Michigan Municipal Money Market
New Jersey Tax-Free Money Market
New York Tax-Free Money Market
Ohio Municipal Money Market
Spartan California Municipal
Money Market
Spartan Connecticut Municipal
Money Market
Spartan Florida Municipal Money Market
Spartan Massachusetts Municipal
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Spartan Municipal Money Fund
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EXHIBIT 24(A)(3)

SPARTAN(Registered trademark)

(Registered trademark)
CONNECTICUT
MUNICIPAL
PORTFOLIOS

ANNUAL REPORT
NOVEMBER 30, 1993
CONTENTS

<TABLE>
<CAPTION>

ACCOUNTANTS

</TABLE>

THIS REPORT AND THE FINANCIAL STATEMENTS CONTAINED HEREIN ARE SUBMITTED FOR THE GENERAL
INFORMATION OF THE SHAREHOLDERS OF THE FUND. THIS REPORT IS NOT AUTHORIZED FOR
DISTRIBUTION TO PROSPECTIVE INVESTORS IN THE FUND UNLESS PRECEDED OR ACCOMPANIED BY
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PRESIDENT'S MESSAGE

DEAR SHAREHOLDER:

Once the new year begins, many people start reviewing their finances and calculating their tax bills. No one wants to pay more taxes than they have to. But a recent survey of 500 U.S. households, conducted by Fidelity and Yankelovich Partners, showed that few people have taken steps to reduce their taxes under the new legislation. Many were not even aware that the new tax laws were retroactive to January 1993.

Whether or not you're someone whose tax bill will increase as a result of these changes, it may make sense to consider ways to keep more of what you earn.

First, if your employer offers a 401(k) or 403(b) retirement savings plan, consider enrolling. These plans are set up so you can make regular contributions - before taxes - to a retirement savings plan. They offer a disciplined savings strategy, the ability to accumulate earnings tax-deferred, and immediate tax savings. For example, if you earn $40,000 a year and contribute 7% of your salary to your 401(k) plan, your annual contribution is $2,800. That reduces your taxable income to $37,200 and, if you're in the 28% tax bracket, saves you $784 in Federal taxes. In addition, you pay no taxes on any earnings until withdrawal.

It may be a good idea to contact your benefits office as soon as possible to find out when you can enroll or increase your contribution. Most employers allow employees to make changes only a few times each year.

Second, consider an IRA. Many people are eligible to make an IRA contribution (up to $2,000) that is fully tax deductible. That includes people who are not covered by company pension plans, or those within certain income brackets. Even if you don't qualify for a fully deductible contribution, any IRA earnings will grow tax-deferred until withdrawal.

Third, consider tax-free investments like municipal bonds and municipal bond funds. Often these can provide higher after-tax yields than comparable taxable investments. For example, if you're in the new 36% Federal income tax bracket and invest $10,000 in a taxable investment yielding 7%, you'll pay $252 in Federal taxes and receive $448 in income. That same $10,000 invested in a tax-free bond fund yielding 5.5% would allow you to keep $550 in income.

These are three investment strategies that could help lower your tax bill in 1994. If you're interested in learning more, please call us at 1-800-544-8888 or visit a Fidelity Investor Center.

Wishing you a prosperous new year,

Edward C. Johnson 3d, Chairman

SPARTAN CONNECTICUT MUNICIPAL HIGH YIELD PORTFOLIO

PERFORMANCE: THE BOTTOM LINE

There are several ways to evaluate a fund's historical performance. You can look at the total percentage change in value, the average annual percentage change, or the growth of a hypothetical $10,000 investment. Each figure includes changes in a fund's share price, reinvestment of any dividends (or income) and capital gains (the profits the fund earns when it sells bonds that have grown in value), and the effect of the $5 account closeout fee. You can also look at the fund's income.

CUMULATIVE TOTAL RETURNS

YEARS ENDED NOVEMBER 30, 1993	PAST 1 YEAR	PAST 5 YEARS	LIFE OF FUND
Spartan Connecticut Municipal High Yield Portfolio	11.81%	58.33%	75.52%
Lehman Brothers Municipal Bond Index	11.09%	61.12%	n/a
Average Connecticut Tax-exempt Municipal Bond Fund	12.08%	57.20%	n/a
Consumer Price Index	2.68%	21.20%	n/a

CUMULATIVE TOTAL RETURNS reflect actual performance over a set period - in this case, one year, five years, or since the fund started on October 29, 1987. For example, if you invested $1,000 in a fund that had a 5% return over the past year, you would end up with $1,050. You can compare these figures to the performance of the Lehman Brothers Municipal Bond index - a broad gauge of the municipal bond market. To measure how the fund stacked up against its peers, you can look at the average Connecticut tax-exempt municipal bond fund, which reflects the performance of 12 Connecticut municipal bond funds tracked by Lipper Analytical Services. Both benchmarks include reinvested dividends and capital gains, if any. Comparing the fund's performance to the consumer price index helps show how your fund did compared to inflation.

AVERAGE ANNUAL TOTAL RETURNS

YEARS ENDED NOVEMBER 30, 1993	PAST 1 YEAR	PAST 5 YEARS	LIFE OF FUND
Spartan Connecticut Municipal High Yield Portfolio	11.81%	9.63%	9.67%
Lehman Brothers Municipal Bond Index	11.09%	10.01%	n/a
Average Connecticut Tax-exempt Municipal Bond Fund	12.08%	9.47%	n/a
Consumer Price Index	2.68%	3.92%	n/a

AVERAGE ANNUAL TOTAL RETURNS take the fund's actual (or cumulative) return and show you what would have happened if the fund had performed at a constant rate each year.

$10,000 OVER LIFE OF FUND

	Spartan CT Hi	LB Muni
10/31/87	10000.00	10000.00
11/30/87	10121.14	10261.10
12/31/87	10253.38	10409.99
01/31/88	10621.32	10780.79
02/29/88	10727.51	10894.75
03/31/88	10415.77	10767.82
04/30/88	10463.24	10849.66
05/31/88	10515.59	10818.30
06/30/88	10713.45	10976.57
07/31/88	10766.94	11048.14
08/31/88	10821.12	11057.86
09/30/88	11033.66	11258.01
10/31/88	11228.48	11456.71
11/30/88	11123.75	11351.77
12/31/88	11289.83	11467.90
01/31/89	11442.62	11705.06
02/28/89	11333.30	11571.50
03/31/89	11345.51	11543.84
04/30/89	11654.63	11817.90
05/31/89	11899.34	12063.35
06/30/89	12098.25	12227.17

07/31/89	12229.61	12393.59
08/31/89	12100.69	12272.25
09/30/89	12064.54	12235.44
10/31/89	12207.62	12384.71
11/30/89	12387.76	12601.44
12/31/89	12467.79	12704.77
01/31/90	12357.27	12645.06
02/28/90	12469.60	12757.60
03/31/90	12491.35	12761.43
04/30/90	12296.36	12669.55
05/31/90	12602.21	12945.74
06/30/90	12730.25	13059.66
07/31/90	12919.65	13251.64
08/31/90	12687.36	13059.49
09/30/90	12769.38	13067.33
10/31/90	12962.06	13303.85
11/30/90	13241.66	13571.25
12/31/90	13302.08	13630.97
01/31/91	13449.70	13813.62
02/28/91	13534.39	13933.80
03/31/91	13556.04	13939.37
04/30/91	13728.33	14124.77
05/31/91	13850.06	14250.48
06/30/91	13743.00	14236.23
07/31/91	13906.13	14409.91
08/31/91	14057.21	14600.12
09/30/91	14183.28	14789.92
10/31/91	14323.10	14923.03
11/30/91	14357.59	14964.82
12/31/91	14709.44	15286.56
01/31/92	14731.79	15321.72
02/29/92	14739.08	15326.32
03/31/92	14671.72	15332.45
04/30/92	14749.26	15468.90
05/31/92	14951.26	15651.44
06/30/92	15245.81	15914.38
07/31/92	15720.88	16391.81
08/31/92	15498.37	16231.17
09/30/92	15604.48	16336.68
10/31/92	15338.53	16176.58
11/30/92	15752.70	16466.14
12/31/92	15918.26	16634.09
01/31/93	16155.62	16827.05
02/28/93	16812.50	17436.19
03/31/93	16583.73	17251.36
04/30/93	16736.58	17425.60
05/31/93	16834.45	17523.19
06/30/93	17132.67	17815.82
07/31/93	17158.03	17838.98
08/31/93	17547.21	18210.03
09/30/93	17760.00	18417.63
10/31/93	17769.50	18452.62
11/30/93	17613.40	18290.24

$10,000 OVER LIFE OF FUND: Let's say you invested $10,000 in Spartan Connecticut Municipal High Yield Portfolio on October 31, 1987, shortly after the fund started. As the chart shows, by November 30, 1993, the value of your investment would have grown to $17,613 - a 76.13% increase on your initial investment. This assumes you still own the fund on November 30, and therefore does not include the effect of the $5 account closeout fee. For comparison, look at how the Lehman Brothers Municipal Bond index did over the same period. With dividends reinvested, the same $10,000 would have grown to $18,290 - a 82.90% increase.

UNDERSTANDING
PERFORMANCE

How a fund did yesterday is no guarantee of how it will do tomorrow. Bond prices, for example, move in the opposite direction of interest rates. In turn, the share price, return, and yield of a fund that invests in bonds will vary. That means if you sell your shares during a market downturn, you might lose money. But if you can ride out the market's ups and downs, you may have a gain.

(checkmark)

INCOME

YEARS ENDED NOVEMBER 30,	1993	1992	1991	1990	1989
Income return	6.29%	6.59%	6.65%	6.71%	7.19%
Capital gain returns	0.00%	0.00%	0.38%	0.19%	0.00%
Change in share price	5.52%	3.12%	1.39%	-0.01%	4.16%
Total return	11.81%	9.71%	8.42%	6.89%	11.35%

Income returns, capital gain returns, and changes in share price are all part of a bond fund's total return. An income return reflects the dividends paid by the fund. A capital gain return reflects the amount paid by the fund to shareholders based on the profits realized from selling bonds that have grown in value. The returns assume the dividends or gains are reinvested. Changes in the fund's share price include changes in the prices of the bonds owned by the fund. Change in share price and total return figures include the effect of the $5 account closeout fee on an average size account.

DIVIDENDS AND YIELD

PERIODS ENDED NOVEMBER 30, 1993	PAST 30 DAYS	PAST 6 MONTHS	PAST 1 YEAR
Dividends per share	n/a	33.62(cents)	67.96(cents)
Annualized dividend rate	n/a	5.64%	5.81%
Annualized yield	5.12%	n/a	n/a
Tax-equivalent yield	8.38%	n/a	n/a

Dividends per share show the income paid by the fund for a set period. If you annualize this number, based on an average share price of $11.89 over the past six months and $11.70 over the past year, you can compare the fund's income over these two periods. The 30-day annualized yield is a standard formula for all funds based on the yields of the bonds in the fund, averaged over the past 30 days. This figure shows you the yield characteristics of the fund's investments at the end of the period. It also helps you compare funds from different companies on an equal basis. The tax-equivalent yield shows what you would have to earn on a taxable investment to equal the fund's tax-free yield, if you're in the 38.88% combined federal and state tax bracket.

FUND TALK: THE MANAGER'S OVERVIEW

MARKET RECAP

Generally, interest rates fell during the year ended November 30, 1993. As a result, bond prices rose and most fixed-income investors - including those in tax-free bonds - enjoyed attractive returns. The period began amid expectations of higher interest rates to come. This was based on signs that the economic recovery was finally taking hold, as well as uncertainty over the spending plans of the president-elect. But as President Clinton promised to tackle the deficit and fight inflation, the bond market signaled its approval. The yield on the benchmark 30-year Treasury bond dipped below 6% in September and reached an historic low of 5.79% in mid-October. By the end of the period, as inflation fears returned, the 30-year bond was yielding 6.30%.

Two factors affected tax-free bonds specifically: On the positive side, higher federal taxes - discussed all year and approved in August - boosted demand. At the same time, record new issuance kept supplies high, which somewhat dampened prices. Overall during the period, tax-free bonds performed well compared to other fixed-income investments. The Lehman Brothers Municipal Bond Index - a broad measure of the tax-free bond market - - rose 11.09%. By comparison, the Lehman Brothers Aggregate Bond Index - which tracks investment-grade taxable bonds - rose only 10.89%, due in part to relatively poor performance by mortgage-backed securities.

An interview with Peter Allegrini, Portfolio Manager of Spartan Connecticut Municipal High Yield Portfolio

Q. PETER, HOW DID THE FUND DO?

A. For the 12 months ended November 30, 1993, the fund had a total return of 11.81%. That slightly lagged the average Connecticut tax-exempt municipal bond fund which returned 12.08% over the same period, according to Lipper Analytical Services.

Q. WHAT'S BEHIND THAT PERFORMANCE?

A. The fund had a slightly shorter duration than other Connecticut funds - meaning it was less sensitive to interest rate declines than other funds. As interest rates fell over the past year, funds with longer durations tended to do better. This fund is one of the oldest Connecticut funds available, and so, has some premium bonds that trade to their shorter call dates, rather than to their stated maturities. I hold on to them because they carry an interest rate above the current rate for similar bonds and they help generate the fund's above-average income. But I've worked steadily all year to lengthen the fund's duration to 8.3 years on November 30, 1993. Over the next six months to a year, I'll probably keep the fund's duration between 8 and 8 1/2 years because I think long-term interest rates could continue to fall.

Q. WHAT KINDS OF BONDS DID YOU BUY TO LENGTHEN THE FUND'S DURATION?

A. Mainly non-callable bonds and discount bonds. At the end of the period the fund had about a 26% stake in non-callable bonds, which are bonds that can't be prematurely returned to their issuers, and therefore have a longer duration. That's because non-callables always trade to their maturity date, rather than a shorter call date. When interest rates are falling and bond prices are rising, non-callable bonds tend to do well. It's the same for discount bonds, which trade at less than face value because they carry an interest rate below the current rate for similar bonds.

Q. ARE YOU CONCERNED THAT FEDERAL HEALTH-CARE REFORM WILL HURT THE FUND'S 29% STAKE IN HEALTH-CARE BONDS?

A. Not particularly. More than half the fund's hospital bonds are insured, which means that timely interest and principal payments are guaranteed. Unlike other states, pressure to cut costs and be more competitive, isn't really a factor for Connecticut hospitals. The state's health authorities have strategically located hospitals in key areas around the state, so most of those don't have much competition from other hospitals in the same area. Also, Connecticut doesn't suffer from an oversupply of hospital beds like other states do.

Q. AT THE END OF NOVEMBER, ABOUT 53% OF THE FUND WAS CONCENTRATED IN INTERMEDIATE BONDS WITH MATURITIES OF FIVE TO 20 YEARS. WHAT MADE THEM SO

ATTRACTIVE?
A. During the past year the slope of the yield curve - or the difference in yield between different maturity bonds - was fairly flat, meaning you didn't get rewarded much for taking on the extra risk of buying a bond with a 30-year maturity. For example, you could pick up about 95% of the yield of a 30-year bond with a 15-year bond. I just didn't think that a 5% difference in yield justified the added price risk of a 30-year bond.
Q. HOW DOES CONNECTICUT'S ECONOMY STACK UP AGAINST THE NATIONAL AVERAGE?
A. I think Connecticut's economy is in the process of bottoming and has started to stabilize. The state's economy has a heavy emphasis on the defense and insurance industries, which haven't done very well lately. Both sectors have gone through huge restructurings, primarily by cutting jobs. These changes are not cyclical, they're permanent and it may take a while for all the effects of massive restructuring to work their way through. On a brighter note, the state's fiscal situation is improving, primarily as a result of the tax reform enacted in 1991. New tax laws have brought stability to the amount of revenues collected and the state has balanced its budget for two straight years.
Q. SO, ARE YOU OPTIMISTIC ABOUT MUNICIPAL BONDS FOR 1994?
A. I am. I expect interest rates to continue to stay low, despite some recent jitters in the bond market. Most commodity prices and wages, two early warning signals for higher inflation, have stabilized, with no real signs of heading up. As long as inflation stays down, and economic growth stays at a 2% to 3% level, interest rates and bond yields could continue to stay low. Even so, it's probably realistic for investors to expect more modest returns than we've seen during the past 12 months.
FUND FACTS
GOAL: to provide high current income exempt from Connecticut state and federal income tax by investing primarily in bonds rated Baa or better
START DATE: October 29, 1987
SIZE: as of November 30, 1993, over $450.1 million
MANAGER: Peter Allegrini, since October 1987; manager, Fidelity Advisor High Income Municipal Fund, since November 1985; Fidelity Michigan Tax-Free and Ohio Tax-Free Funds, since November 1985; formerly manager, Fidelity Minnesota Tax-Free Fund from November 1985 - September 1993; formerly manager Spartan Pennsylvania Municipal Fund, August 1986 - - September 1993
(checkmark)
PETER ALLEGRINI'S INVESTMENT STRATEGY:
"I try to find the best value for the money, across a variety of credit qualities. I manage the fund for total rate of return, not just high yield. The best way to achieve a consistently high rate of return is to keep the fund invested for a substantial amount of income and to take advantage of changes in interest rates, which sometimes create inefficient prices. In October, for example, many investors sold bonds because they feared a surge in inflation. That created an opportunity

to buy some attractive bonds
at cheaper prices."
(bullet) Because of recent tax hikes
at the federal level, some
Connecticut residents could
be subject to a tax-rate as
high as 42.32% in 1994.
(bullet) For the year ended
November 30, 1993, the
fund's share price fluctuated
between a high of $12.18 and
a low of $11.24 It closed the
fiscal year at $11.84.
DISTRIBUTIONS:
The Board of Trustees of
Fidelity Court Street Trust:
Spartan Connecticut
Municipal High Yield Portfolio
voted to pay on December
20, 1993 to shareholders of
record at the opening of
business on December 17,
1993, a distribution of $.33
derived from capital gains
realized from sales of
portfolio securities.

SPARTAN CONNECTICUT MUNICIPAL HIGH YIELD PORTFOLIO

INVESTMENT CHANGES

TOP FIVE SECTORS AS OF NOVEMBER 30, 1993

	% OF FUND'S INVESTMENTS	% OF FUND'S INVESTMENTS IN THESE SECTORS 6 MONTHS AGO
Health Care	28.9	32.4
General Obligation	24.1	18.4
Education	9.4	8.7
Special Tax	6.1	4.5
Transportation	6.0	n/a

AVERAGE YEARS TO MATURITY AS OF NOVEMBER 30, 1993

		6 MONTHS AGO
Years	20.7	20.8

AVERAGE YEARS TO MATURITY SHOWS THE AVERAGE TIME UNTIL THE PRINCIPAL OF THE BONDS IN THE FUND IS EXPECTED TO BE REPAID, WEIGHTED BY DOLLAR AMOUNT.

DURATION AS OF NOVEMBER 30, 1993

		6 MONTHS AGO
Years	8.3	6.8

DURATION SHOWS HOW MUCH A BOND'S PRICE FLUCTUATES WITH CHANGES IN INTEREST RATES. IF RATES RISE 1%, FOR EXAMPLE, THE SHARE PRICE OF A FUND WITH A FIVE-YEAR DURATION WILL FALL 5%.

QUALITY DIVERSIFICATION AS OF NOVEMBER 30, 1993
(MOODY'S RATINGS)
Aaa 28.5%
Aa, A 36.5%
Baa 24.9%

Ba or B 1.8%
Non-rated 8.3%
Row: 1, Col: 1, Value: 28.5
Row: 1, Col: 2, Value: 36.4
Row: 1, Col: 3, Value: 24.9
Row: 1, Col: 4, Value: 2.0
Row: 1, Col: 5, Value: 8.300000000000001

THIS CHART EXCLUDES SHORT-TERM INVESTMENTS. WHERE MOODY'S RATINGS ARE NOT AVAILABLE, WE HAVE USED S&P RATINGS.
SPARTAN CONNECTICUT MUNICIPAL HIGH YIELD PORTFOLIO

INVESTMENTS/NOVEMBER 30, 1993
(Showing Percentage of Total Value of Investments)

MUNICIPAL BONDS - 99.0%
PRINCIPAL VALUE
AMOUNT (NOTE 1)
CONNECTICUT - 87.0%
Berlin Unltd. Tax:
7.10% 6/15/04 A1 $ 100,000 $ 116,875 084851LB
7.20% 6/15/06 A1 135,000 159,469 084851LD
Branford Gen. Oblig. Unltd. Tax :
7% 6/15/08, (FGIC Insured) Aaa 500,000 586,875 105385ME
7% 6/15/09, (FGIC Insured) Aaa 500,000 587,500 105385MF
Bridgeport Gen. Oblig. Series B, 7.75% 11/15/10 Ba 3,235,000 3,578,719 108151SE
Bridgeport Unltd. Tax Series A:
7.20% 3/1/98 Ba 930,000 977,662 108151RE
7.40% 3/1/00 Ba 1,080,000 1,158,300 108151RJ
7.25% 6/1/02 Ba 565,000 608,081 108151QE
7.625% 1/15/09 Ba 1,500,000 1,631,250 108151RM
Brookfield Gen. Oblig. :
5.25% 7/15/10 Aa 200,000 199,500 112709JE
5.25% 7/15/11 Aa 200,000 198,500 112709JF
5.25% 7/15/12 Aa 200,000 198,250 112709JG
5.25% 7/15/13 Aa 190,000 188,337 112709JH
Canterbury Unltd. Tax:
7.20% 5/1/05 A 350,000 415,625 138105BL
7.20% 5/1/06 A 195,000 231,806 138105BM
Cheshire Unltd. Tax :
6.90% 2/15/06 A1 100,000 115,125 165375KS
6.90% 2/15/07 A1 100,000 114,875 165375KT
6.90% 2/15/08 A1 100,000 114,625 165375KU
Colchester Unltd. Tax 7.10% 12/15/04,
(MBIA Insured) Aaa 210,000 251,475 192792DZ
Connecticut Clean Wtr. Fund Rev.:
Series 1991, 7% 1/1/11 Aa 2,500,000 2,818,750 207915BC
5.875% 4/1/08 Aa 1,000,000 1,072,500 207915DS
6% 10/1/12 Aa 5,800,000 6,314,750 207915DU
Connecticut Dev. Auth. Health Care Rev.:
(Jerome Home Proj.) 8% 11/1/19 - 2,000,000 2,165,000 207913AC
(Masonic Charity Foundation) 6.50% 8/1/20,
(AMBAC Insured) Aaa 5,800,000 6,329,250 207913AM
Connecticut Dev. Auth. Health Care Rfdg.
(Duncaster, Inc. Proj.) 6.75% 9/1/15 Aa3 3,000,000 3,240,000 207901BD
Connecticut Dev. Auth. 1st. Mtg. Gross Rev.
(Health Care Proj.):
(Baptist Homes, Inc.):
8.75% 9/1/12 - 2,415,000 2,544,806 207902JK
9% 9/1/22 - 4,240,000 4,542,100 207902JL
(Inter-Church Residences, Inc.):
9.50% 5/1/13 - 1,200,000 1,312,500 207902HE
9.625% 4/1/21 - 3,500,000 3,850,000 207902HF
(Mary Wade Home, Inc. Proj.)
8.875%, 12/1/18 - 1,670,000 1,786,900 207902FD
MUNICIPAL BONDS - CONTINUED
PRINCIPAL VALUE
AMOUNT (NOTE 1)
CONNECTICUT - CONTINUED

Connecticut Dev. Auth. Parking Facs. Rev.
(Hartford Hosp.) 6.875% 10/1/06,
(MBIA Insured) (b) Aaa $ 5,195,000 $ 5,805,413 207903AN
Connecticut Dev. Auth. Poll. Cont. Rev. :
(Pfizer, Inc. Proj.) 6.55% 2/15/13 Aaa 4,000,000 4,470,000 207728AW
(United Illuminating Co. Proj.) 9.50% 6/1/16 BBB- 2,625,000 2,933,437
207728AS
Connecticut Dev. Auth. Solid Waste & Elec. Rev.
(Ogden Martin Sys. Bristol, Inc.) 10% 7/1/14 BBB+ 2,570,000 2,852,700
207908AR
Connecticut Dev. Auth. Rev. (Hartford Civic Ctr.)
Series A:
6% 11/15/07 A1 1,525,000 1,650,812 207910CE
6% 11/15/08 A1 3,050,000 3,290,187 207910CF
4.75% 11/15/13 A1 1,525,000 1,408,719 207910CL
Connecticut Dev. Auth. Wtr. Facs. Rev. Rfdg.
(Bridgeport Hydraulic Co. Proj.):
Series A, 6.05% 3/1/29, (MBIA Insured) (f) Aaa 2,000,000 2,070,000
207900AX
7.75% 8/1/19 A 4,000,000 4,095,000 207900AP
7.25% 6/1/20 A 1,000,000 1,110,000 207900AQ
Connecticut Gen. Oblig.:
Rfdg. Unltd. Tax, Series B, 5.50% 3/15/10 Aa 3,000,000 3,068,750
2077265A
(College Savings Plan):
Series A:
0% 5/15/07 Aa 2,250,000 1,102,500 207726VC
0% 5/15/10 Aa 7,980,000 3,341,625 207726VF
0% 5/15/11 Aa 3,350,000 1,319,062 207726B6
Series 1991 A, 0% 5/15/10 Aa 1,000,000 418,750 207726B5
Series B, 0% 11/1/06 Aa 2,800,000 1,449,000 207726TH
Unltd. Tax:
Series A, 0% 6/15/10 Aa 2,188,000 910,755 20772EAN
Series B:
0%, 12/15/10 Aa 2,428,000 986,375 207726E9
0%, 12/15/11 Aa 1,496,000 570,350 207726F2
(College Savings Plan - Cap. Appreciation) :
Series A:
0% 12/1/07 Aa 4,000,000 1,920,000 207726QP
0% 12/1/08 Aa 558,000 252,495 207726QR
Series B, 0% 11/15/10 Aa 4,460,000 1,817,450 207726XY
Unltd. Tax Series B, 0% 11/1/09 Aa 11,390,000 4,911,937 207726TL
Series A:
0% 7/1/98 Aa 780,000 642,525 207726RR
0% 7/1/03 Aa 4,000,000 2,510,000 207726RW
0% 7/1/04 Aa 4,514,000 2,674,545 207726RX
0% 7/1/05 Aa 750,000 415,312 207726RY
0% 7/1/07 Aa 2,430,000 1,190,700 207726SA
0% 7/1/08 Aa 4,690,000 2,169,125 207726SB
MUNICIPAL BONDS - CONTINUED
PRINCIPAL VALUE
AMOUNT (NOTE 1)
CONNECTICUT - CONTINUED
Connecticut Health & Edl. Facs. Auth. Rev. :
(Bridgeport Hosp.) Series A, 6.625% 7/1/18,
(MBIA Insured) Aaa $ 3,825,000 $ 4,236,187 207742UH
(Bristol Hosp.) Issue A:
7% 7/1/09 (MBIA Insured) Aaa 2,500,000 2,806,250 207742FD
7% 7/1/20 (MBIA Insured) Aaa 4,180,000 4,692,050 207742FE
(Cap. Asset Issue) Series C:
6.875% 1/1/10, (MBIA Insured) Aaa 1,000,000 1,111,250 207742JD
7% 1/1/20, (MBIA Insured) Aaa 3,730,000 4,205,575 207742JE
(Fairfield Univ.) Series F:
6.875% 7/1/09 A 3,540,000 3,916,125 207742CM
6.90% 7/1/14 A 1,000,000 1,107,500 207742CN
(Hartford Univ.):
Series C, 8% 7/1/18, (Pre-Refunded to
7/1/03 @ 100) (c) Aaa 7,310,000 8,982,162 2077414A
Series D, 6.80% 7/1/22 Baa 6,320,000 6,873,000 207742YA
(Lutheran Gen. Health Care Sys.) 7.375% 7/1/19 Aaa 3,195,000 3,861,956
207742BF

(New Britain Mem. Hosp.) Series A,
7.75% 7/1/22 BBB- 12,900,000 14,335,125 207742PD
(Norwalk Health Care, Inc.) Series A,
8.70% 7/1/22 - 6,600,000 6,946,500 207742TR
(Quinnipiac Coll.):
Rfdg. Series D:
6%, 7/1/13 BBB- 3,750,000 3,754,687 207742F3
6% 7/1/23 BBB- 3,975,000 3,975,000 207742F4
Series C, 7.75% 7/1/20 BBB- 1,000,000 1,197,500 207742GU
(St. Francis Hosp. & Med. Ctr.) 5% 7/1/13,
(FGIC Insured) Aaa 6,000,000 5,685,000 207742J9
(St. Mary's Hosp.)
Issued B:
7.60% 7/1/03 Baa 900,000 988,875 2077414V
7.80% 7/1/09 Baa 7,985,000 8,573,894 2077414S
Series C, 7.375% 7/1/20 Baa 7,420,000 7,902,300 207742GR
(St. Raphael Hosp.) Series H:
6.50% 7/1/11, (AMBAC Insured) Aaa 2,780,000 3,113,600 207742S5
6.50% 7/1/13, (AMBAC Insured) Aaa 3,125,000 3,523,437 207742S7
5.25% 7/1/14, (AMBAC Insured) Aaa 4,400,000 4,328,500 207742R3
(Sacred Heart Univ.) Series A, 6.85% 7/1/22,
LOC Fleet Nat'l. Bank A 1,000,000 1,086,250 207742YN
(Sharon Healthcare, Inc.) Series A:
8.75% 7/1/06 - 450,000 480,375 207742NE
9% 7/1/13 - 1,300,000 1,408,875 207742NF
9.20% 7/1/21 - 1,500,000 1,642,500 207742NG
(Taft School):
Series A, 7.40% 7/1/10 A 2,190,000 2,581,462 207742FU
Series A, 7.375% 7/1/20 A 1,700,000 1,999,625 207742FV
(The Griffin Hosp.) Series A, 6% 7/1/13 Baa1 5,000,000 4,925,000
207742C8
MUNICIPAL BONDS - CONTINUED
PRINCIPAL VALUE
AMOUNT (NOTE 1)
CONNECTICUT - CONTINUED
Connecticut Health & Edl. Facs. Auth. Rev. - continued
(Tolland County Health Care, Inc.) Series A:
8.75% 7/1/08 - $ 350,000 $ 373,625 207742NS
9% 7/1/13 - 1,000,000 1,083,750 207742NT
9.20% 7/1/21 - 3,600,000 3,942,000 207742NU
(Trinity College) Series C, 6% 7/1/22,
(MBIA Insured) Aaa 3,000,000 3,153,750 207742WU
(Waterbury Hosp.) Issue B, 7% 7/1/20,
(FSA Insured) Aaa 2,800,000 3,139,500 207742HS
(Yale-New Haven Hosp.):
Series D, 9% 7/1/12, (HIB Insured)
(Pre-Refunded to 7/1/95 @ 102) (c) Aaa 300,000 331,125 207741V7
Series F, 7.10% 7/1/25, (MBIA Insured) Aaa 12,000,000 13,575,000
207742HG
(Yale Univ.) 9.038% 5/15/30 (d) Aaa 7,000,000 7,472,500 207742WW
Connecticut Higher Ed. Supplemental Loan Auth. Rev.:
(Family Ed. Loan Prog.) Series A: (b)
6.80% 11/15/02 A 480,000 517,800 207743BW
7.20% 11/15/10 A 975,000 1,084,687 207743CE
Series A: (b)
7.375% 11/15/05 A 590,000 646,050 207743BH
7.50% 11/15/10 A 2,035,000 2,230,869 207743BN
Connecticut Hsg. Fin. Auth. (Hsg. Mtg. Fin. Prog.) :
Series A, 7.50% 11/15/09 (b) Aa 3,355,000 3,602,431 207745W3
Series B, 8.80% 11/15/02 Aa 3,000,000 3,243,750 207745K7
Sub-Series B-1, 7.55% 11/15/08 Aa 2,000,000 2,175,000 207745Y5
Sub-Series B-3:
7.70% 11/15/09 (b) Aa 2,950,000 3,193,375 207745Y3
7.755% 11/15/22 (b) Aa 2,515,000 2,706,769 207745Y6
Series C, 7.625% 11/15/17 Aa 545,000 562,031 207745A7
Sub-Series C-1, 6.60% 11/15/23 Aa 1,500,000 1,599,375 2077453X
Series E, 8.75% 11/15/18 Aa 4,455,000 4,694,456 207745A2
Connecticut Muni. Elec. Energy Co-op. Pwr. Supply
Sys. Rev. Series A, 5% 1/1/18, (MBIA Insured) Aaa 7,750,000 7,275,312
207752CS
Connecticut Resource Recovery Auth. Rev.

(American Refuse Fuel Co.) 8.10% 11/15/15 (b) A2 4,500,000 5,242,500
207755FA
Connecticut Spl. Tax. Oblig. Rev. (Trans. Infrastructure):
Rfdg. Series 1993 A, 5.375% 9/1/08 A1 6,705,000 6,780,431 207757NF
Series A:
Rfdg. 5.25% 9/1/07 A1 7,165,000 7,227,694 207757NE
7.125% 6/1/10 A1 3,550,000 4,206,750 207757HD
Series B:
0% 6/1/08 A1 3,500,000 1,601,250 207757DQ
6.10% 9/1/08 A1 2,500,000 2,706,250 207757LU
6.15% 9/1/09 A1 3,500,000 3,819,375 207757LV
6.50% 10/1/10 A1 3,250,000 3,664,375 207757KF
6.125% 9/1/12 A1 6,400,000 6,936,000 207757LY
6.50% 10/1/12 A1 2,500,000 2,818,750 207757KH
MUNICIPAL BONDS - CONTINUED
PRINCIPAL VALUE
AMOUNT (NOTE 1)
CONNECTICUT - CONTINUED
Danbury Impt. Unltd. Tax 6.70% 2/1/07 Aa $ 305,000 $ 350,750 235865PX
Eastern Resources Recovery Auth. Solid Waste Rev.
(Wheelabrator Lisbon Proj.)
Series A, 5.50% 1/1/15 (b) A 8,000,000 7,560,000 276318AL
Franklin Unltd. Tax :
7.30% 3/15/04 A 225,000 263,812 352550AQ
7.30% 3/15/05 A 225,000 265,781 352550AR
7.30% 3/15/06 A 225,000 268,312 352550AS
Hartford County Metropolitan Dist.:
Unltd. Tax (School Boards) 9.50% 6/1/03 Aa1 100,000 134,000 416488EE
6.20% 11/15/09 Aa1 250,000 274,687 416488GD
Manchester Hsg. Dev. Agcy. (Multi-Family Hsg.)
7.20% 12/1/18 - 1,565,000 1,611,950 562132AB
Mansfield Gen. Oblig. Unltd. Tax:
6.80% 6/15/03 A1 300,000 343,875 564198EQ
6.80% 6/15/04 A1 300,000 346,125 564198ER
6.80% 6/15/07 A1 300,000 345,750 564198EU
6.80% 6/15/08 A1 150,000 173,250 564198EV
Meriden Unltd. Tax 7% 10/1/07, (MBIA Insured) Aaa 500,000 591,875
589535QJ
Milford Gen. Oblig.:
Unltd. Tax:
6.70% 2/1/05 Aa 400,000 457,000 599377KT
6.70% 2/1/07 Aa 315,000 360,675 599377KV
6.70% 2/1/08 Aa 315,000 361,462 599377KW
5.20% 1/15/11 Aa 550,000 540,375 599377PW
5.20% 1/15/13 Aa 500,000 488,125 599377PY
Monteville Gen. Oblig.:
6.30% 3/1/10 Aa 405,000 451,069 615292GU
7% 3/15/13 Aa 220,000 266,200 615292DK
7% 3/15/14 Aa 220,000 267,575 615292DL
7% 3/15/15 Aa 210,000 256,725 615292DM
Naugatuck Unltd. Tax:
7.25% 9/1/04, (MBIA Insured) Aaa 215,000 258,269 639064LK
6.90% 6/15/07, (FGIC Insured) Aaa 485,000 568,663 639064KR
7.40% 9/1/07, (MBIA Insured) Aaa 370,000 452,325 639064LN
7.40% 9/1/08, (MBIA Insured) Aaa 370,000 452,325 639064LP
New Britain:
Unltd. Tax:
Rfdg. 6% 2/1/12, (MBIA Insured) Aaa 400,000 431,000 642713TN
7% 4/1/07, (MBIA Insured) Aaa 580,000 680,775 642713QZ
7% 4/1/08, (MBIA Insured) Aaa 580,000 682,950 642713RA
Series B, 6% 3/1/12, (MBIA Insured) Aaa 2,000,000 2,155,000 642713VF
New Haven Facs. Rev. (Easter Seal Goodwill
Rehabilitation Proj.) 8.875% 4/1/16 - 1,600,000 1,690,000 645032AJ
New Haven Gen. Oblig.:
Series A, 7.40% 3/1/12 Baa 1,000,000 1,096,250 645019K2
8.25% 8/15/01 Baa 3,280,000 3,829,400 645019H9
MUNICIPAL BONDS - CONTINUED
PRINCIPAL VALUE
AMOUNT (NOTE 1)
CONNECTICUT - CONTINUED
Newington Unltd. Tax:

6.50% 2/1/06 A1 $ 320,000 $ 359,600 651469KB
6.60% 2/1/07 A1 200,000 226,250 651469KC
North Haven Unltd. Tax 7% 10/1/08 Aa 375,000 439,219 659579LW
North Thompsonville Fire Dist.:
6.75% 6/1/07, (MBIA Insured) Aaa 180,000 205,200 66286HAR
6.75% 6/1/08, (MBIA Insured) Aaa 190,000 216,838 66286HAS
6.75% 6/1/09, (MBIA Insured) Aaa 200,000 233,250 66286HAT
6.75% 6/1/10, MBIA Insured) Aaa 215,000 252,088 66286HAU
6.75% 6/1/11, (MBIA Insured) Aaa 230,000 271,113 66286HAV
Norwalk Hsg. Auth. Mtg. Rev. (Monterey Village)
Series 1985 B, Section 8, 9% 11/1/99 BBB 180,000 188,550 668868BE
Oxford Gen. Oblig. Unltd. Tax 6.90% 2/1/07,
(FGIC Insured) Aaa 925,000 1,018,656 691412CM
Plainville Gen. Oblig.:
Unltd. Tax:
6.60% 8/15/09 A1 250,000 286,563 726770LF
6.60% 8/15/10 A1 250,000 286,563 726770LG
6.60% 8/15/11 A1 250,000 287,813 726770LH
6.60% 8/15/08 A1 250,000 282,500 726770LE
Stamford Gen. Oblig.:
Unltd. Tax:
6.60% 1/15/07 Aaa 295,000 338,144 852631WM
6.60% 1/15/08 Aaa 1,480,000 1,700,150 852631WN
6.60% 1/15/09 Aaa 1,000,000 1,166,250 852631WP
7% 6/15/08, (FGIC Insured) Aaa 500,000 586,875 862811MZ
6.125% 11/1/12 Aaa 1,050,000 1,134,000 852631XX
Thomaston Unltd. Tax:
6.50% 8/1/07 A 210,000 232,838 884510FG
6.50% 8/1/08 A 210,000 234,150 884510FH
6.50% 8/1/09 A 210,000 235,988 884510FJ
Vernon Unltd. Tax:
7.10% 10/15/07 A1 250,000 292,188 924427MA
7.10% 10/15/08 A1 250,000 292,813 924427MB
Voluntown Gen. Oblig. Unltd. Tax:
6.75% 10/1/03 A 210,000 238,875 928822BE
6.75% 10/1/04 A 210,000 239,138 928822BF
6.80% 10/1/06 A 210,000 243,075 928822BH
6.80% 10/1/07 A 210,000 240,187 928822BJ
6.80% 10/1/08 A 210,000 245,438 928822BK
6.80% 10/1/09 A 185,000 215,063 928822BL
West Haven Impt. Unltd. Tax 6.70% 2/15/04,
(MBIA Insured) Aaa 710,000 819,163 953140MZ
Winchester Gen. Oblig. Unltd. Tax:
7.10% 11/15/06 A1 125,000 147,031 972737EU
7.10% 11/15/08 A1 110,000 132,688 972737EW
MUNICIPAL BONDS - CONTINUED
PRINCIPAL VALUE
AMOUNT (NOTE 1)
CONNECTICUT - CONTINUED
Wolcott Gen. Oblig. Unltd. Tax:
7% 6/15/09, (FGIC Insured) Aaa $ 445,000 $ 525,100 977623HE
7% 6/15/10, (FGIC Insured) Aaa 440,000 522,500 977623HF
Woodstock Spl. Oblig. Rev. (Woodstock Academy):
7% 3/1/07, (AMBAC Insured) Aaa 725,000 830,125 980324AS
7% 3/1/08, (AMBAC Insured) Aaa 725,000 830,125 980324AT
384,886,456
PUERTO RICO - 11.7%
Puerto Rico Commonwealth Gen. Oblig. Rfdg.
Unltd. Tax, 5% 7/1/21 Baa1 5,000,000 4,587,500 745144KJ
Puerto Rico Commonwealth Hwy. & Trans. Auth. Rev.:
Rfdg.:
Series W, 5.50% 7/1/13 Baa1 14,250,000 14,054,063 745181BZ
Series X, 5.50% 7/1/13 Baa1 2,500,000 2,465,625 745181CA
Series X, 5.50% 7/1/15 Baa1 8,000,000 7,880,000 745181FD
Series W, 5.50% 7/1/15 Baa1 2,000,000 1,970,000 745181CB
Puerto Rico Elec. Pwr. Auth. Pwr. Rev. Resources
Auth. Pwr. Rev.:
Series P, 7% 7/1/21 Baa1 1,750,000 1,931,563 745268LL
Series R, 6.25% 7/1/17 Baa1 1,000,000 1,048,750 745268ND
Puerto Rico Pub. Bldgs. Auth. Rev. Rfdg.
Series L, 5.50% 7/1/21 Baa1 12,000,000 11,850,000 745235GJ

Puerto Rico Tel. Auth. Rev.:
6.85% 1/1/03, (AMBAC Insured) (d) Aaa 1,000,000 1,016,250 745297HT
6.95% 1/1/04, (AMBAC Insured) (d) Aaa 2,000,000 2,037,500 745297HX
8.03% 1/16/15, MBIA Insured) (d) Aaa 3,000,000 3,086,250 745297JT
51,927,501
U.S. VIRGIN ISLANDS - 0.3%
Virgin Islands Wtr. & Pwr. Auth. Elec. Sys.
Series A, 7.40% 7/1/11 - 1,000,000 1,138,750 927688BX
TOTAL MUNICIPAL BONDS (Cost $405,017,048) 437,952,707
MUNICIPAL NOTES (A) - 1.0%
CONNECTICUT - 1.0 %
Connecticut Spl. Assessment Unemployment Rev.
Series 1993 B, 2.25%, LOC Industrial Bank of
Japan, Mitsubishi Bank, VRDN VMIG 1 1,100,000 1,100,000 207756AR
Connecticut State Dev. Auth. (Light & Pwr. Co.
Proj. 1993) Series A, 2.15%, LOC
Deutsche Bank, VRDN VMIG 1 3,400,000 3,400,000 207728BA
TOTAL MUNICIPAL NOTES (Cost $4,500,000) 4,500,000
TOTAL INVESTMENTS - 100% (Cost $409,517,048) $ 442,452,707

SECURITY TYPE ABBREVIATIONS
VRDN - Variable Rate Demand Notes
LEGEND
(a) The coupon rate shown on floating or adjustable rate securities represents the rate at period end.
(b) Private activity obligations whose interest is subject to the federal alternative minimum tax for individuals (AMT securities).
(c) Security collateralized by an amount sufficient to pay interest and principal.
(d) Inverse floating rate security is a security where the coupon is inversely indexed to a floating interest rate multiplied by a specified factor. If the floating rate is high enough, the coupon rate may be zero or be a negative amount that is carried forward to reduce future interest and/or principal payments. The price may be considerably more volatile than the price of a comparable fixed rate security.
(e) Standard & Poor's Corporation credit ratings are used in the absence of a rating by Moody's Investors Service, Inc.
(o) Security purchased on a delayed delivery basis. (see Note 2 of Notes to Financial Statements).

OTHER INFORMATION
The composition of long-term debt holdings as a percentage of total value of investments for the period ended is as follows (ratings are unaudited):
MOODY'S RATINGS S&P RATINGS
Aaa, Aa, A 60.1% AAA, AA, A 71.0%
Baa 18.1% BBB 9.3%
Ba 1.8% BB 1.8%
B 0.0% B 0.0%
Caa 0.0% CCC 0.0%
Ca, C 0.0% CC, C 0.0%
D 0.0%
The percentage not rated by either S&P or Moody's amounted to 8.3%.
The distribution of municipal securities by revenue source, as a percentage of total value of investments, is as follows:
Health Care 28.9%
General Obligation 24.1
Others
(individually less than 10%) 47.0
TOTAL 100.0%

INCOME TAX INFORMATION
At November 30, 1993, the aggregate cost of investment securities for

income tax purposes was $409,520,381. Net unrealized appreciation (depreciation) aggregated $32,932,326, of which $34,625,973 related to appreciated investment securities and $1,693,647 related to depreciated investment securities.
The fund hereby designates $790,000 as a capital gain dividend for the purpose of the dividend paid deduction.
SPARTAN CONNECTICUT MUNICIPAL HIGH YIELD PORTFOLIO

FINANCIAL STATEMENTS

STATEMENT OF ASSETS AND LIABILITIES

<TABLE>
<CAPTION>

<S>	<C>	<C>
NOVEMBER 30, 1993		
11.ASSETS	12.	13.
14.Investment in securities, at value (cost $409,517,048) (Notes 1 and 2) - See accompanying schedule	15.	$ 442,452,707
16.Cash	17.	29,926
18.Receivable for investments sold	19.	21,250,455
20.Interest receivable	21.	7,629,876
22. TOTAL ASSETS	23.	471,362,964
24.LIABILITIES	25.	26.
27.Payable for investments purchased	28.	29.
30. Regular delivery	$ 17,369,532	31.
32. Delayed delivery (Note 2)	1,978,480	33.
34.Payable for fund shares redeemed	1,303,890	35.
36.Dividends payable	393,053	37.
38.Accrued management fee	205,385	39.
40. TOTAL LIABILITIES	41.	21,250,340
42.43.NET ASSETS	44.	$ 450,112,624
45.Net Assets consist of:	46.	47.
48.Paid in capital	49.	$ 404,508,282
50.Accumulated undistributed net realized gain (loss) on investments	51.	12,668,683
52.Net unrealized appreciation (depreciation) on investment securities	53.	32,935,659
54.55.NET ASSETS, for 38,008,433 shares outstanding	56.	$ 450,112,624
57.58.NET ASSET VALUE, offering price and redemption price per share ($450,112,624 (divided by) 38,008,433 shares)	59.	$11.84

</TABLE>

STATEMENT OF OPERATIONS

<TABLE>

<CAPTION>

<S>	<C>	<C>
YEAR ENDED NOVEMBER 30, 1993		
60.INTEREST	61.	$ 28,653,720
62.EXPENSES	63.	64.
65.Management fee (Note 4)	$ 2,474,254	66.
67.Non-interested trustees' compensation	2,885	68.
69. TOTAL EXPENSES	70.	2,477,139
71.NET INVESTMENT INCOME	72.	26,176,581
73.REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS (NOTES 1 AND 3)	75.	76.
74.Net realized gain (loss) on:		
77. Investment securities	16,259,306	78.
79. Futures contracts	(1,364,615)	14,894,691
80.Change in net unrealized appreciation (depreciation) on:	81.	82.
83. Investment securities	8,977,415	84.
85. Futures contracts	756	8,978,171
86.NET GAIN (LOSS)	87.	23,872,862
88.NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS	89.	$ 50,049,443

</TABLE>

STATEMENT OF CHANGES IN NET ASSETS

<TABLE>
<CAPTION>

<S>	<C> YEARS ENDED NOVEMBER 30,	<C>
	1993	1992
90.INCREASE (DECREASE) IN NET ASSETS		
91.Operations Net investment income	$ 26,176,581	$ 24,220,829
92. Net realized gain (loss) on investments	14,894,691	(511,592)
93. Change in net unrealized appreciation (depreciation) on investments	8,978,171	12,190,553
94. NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS	50,049,443	35,899,790
95.Distributions to shareholders from net investment income	(26,176,581)	(24,220,829)
96.Share transactions Net proceeds from sales of shares	109,111,103	136,138,818
97. Reinvestment of distributions from net investment	21,413,874	20,385,554

income

98. Cost of shares redeemed	(118,085,422)	(101,311,107)
99. Redemption fees (Note 1)	52,698	74,383
100. Net increase (decrease) in net assets resulting from share transactions	12,492,253	55,287,648
101. TOTAL INCREASE (DECREASE) IN NET ASSETS	36,365,115	66,966,609
102.NET ASSETS	103.	104.
105. Beginning of period	413,747,509	346,780,900
106. End of period	$ 450,112,624	$ 413,747,509
107.OTHER INFORMATION 108.Shares	109.	110.
111. Sold	9,381,355	12,299,965
112. Issued in reinvestment of distributions from net investment income	1,827,287	1,837,742
113. Redeemed	(10,079,212)	(9,137,279)
114. Net increase (decrease)	1,129,430	5,000,428

</TABLE>

FINANCIAL HIGHLIGHTS

<TABLE>
<CAPTION>

<S>	<C>	<C>	<C>	<C>	<C>
115.	YEARS ENDED NOVEMBER 30,				
116.	1993	1992	1991	1990	1989
117.SELECTED PER-SHARE DATA					
118.Net asset value, beginning of period	$ 11.220	$ 10.880	$ 10.730	$ 10.730	$ 10.300
119.Income from Investment Operations Net investment income	.680	.689	.684	.687	.706
120. Net realized and unrealized gain (loss) on investments	.619	.338	.188	.020	.430
121. Total from investment operations	1.299	1.027	.872	.707	1.136
122.Less Distributions From net interest income	(.680)	(.689)	(.684)	(.687)	(.706)
123. From net realized gain on investments	-	-	(.040)	(.020)	-
124. Total distributions	(.680)	(.689)	(.724)	(.707)	(.706)
125.Redemption fees added to paid in	.001	.002	.002	-	-

capital

126.Net asset value, end of period	$ 11.840	$ 11.220	$ 10.880	$ 10.730	$ 10.730
127.TOTAL RETURN	11.81 %	9.72 %	8.43 %	6.89 %	11.36 %
128.RATIOS AND SUPPLEMENTAL DATA					
129.Net assets, end of period (000 omitted)	$ 450,113	$ 413,748	$ 346,781	$ 251,855	$ 180,385
130.Ratio of expenses to average net assets	.55 %	.55 %	.55 %	.62 %	.54 %
131.Ratio of expenses to average net assets before expense reductions	.55 %	.55 %	.60 %	.62 %	.73 %
132.Ratio of net interest income to average net assets	5.81 %	6.21 %	6.34 %	6.51 %	6.62 %
133.Portfolio turnover rate	45 %	11 %	6 %	18 %	8 %

</TABLE>

SPARTAN CONNECTICUT MUNICIPAL MONEY MARKET PORTFOLIO

PERFORMANCE: THE BOTTOM LINE

To measure a money market fund's performance, you can look at either total return or yield. Total return reflects the change in a fund's share price over a given period, reinvestment of its dividends (or income), and the effect of the fund's $5 account closeout fee. Yield measures the income paid by a fund. Since a money market fund tries to maintain a $1 share price, yield is an important measure of performance.

CUMULATIVE TOTAL RETURNS

PERIODS ENDED NOVEMBER 30, 1993	PAST 1 YEAR	LIFE OF FUND
Spartan Connecticut Municipal Money Market Portfolio	2.21%	8.48%
Consumer Price Index	2.68%	8.16%
Average Connecticut Tax-Free Money Market Fund	1.89%	7.66%

CUMULATIVE TOTAL RETURNS reflect actual performance over a set period - one year, or since the fund started on March 4, 1991. For example, if you invested $1,000 in a fund that had a 5% return over the past year, you would end up with $1,050. Comparing the fund's performance to the consumer price index (CPI) helps show how your investment did compared to inflation. To measure how the fund stacked up against its peers, you can compare its return to the average Connecticut tax-free money market fund's total return. This average currently reflects the performance of ten Connecticut tax-free money market funds tracked by IBC/Donoghue. (The periods covered by the CPI and IBC/Donoghue numbers are the closest available match to those covered by the fund.)

AVERAGE ANNUAL TOTAL RETURNS

PERIODS ENDED NOVEMBER 30, 1993	PAST 1 YEAR	LIFE OF FUND
Spartan Connecticut Municipal Money Market Portfolio	2.21%	3.01%

Consumer Price Index	2.68%	2.89%
Average Connecticut Tax-Free Money Market Fund	1.89%	2.72%

AVERAGE ANNUAL TOTAL RETURNS take the fund's actual (or cumulative) return and show you what would have happened if the fund had achieved that return by performing at a constant rate each year.

YIELDS

<TABLE>
<CAPTION>

<S>	<C> 11/30/92	<C> 2/28/93	<C> 5/31/93	<C> 8/31/93	<C> 11/30/93
Spartan Connecticut Municip al Money Market Portfolio	2.48%	2.10%	2.56%	2.14%	1.96%
Average Connecticut Tax-Free Money Market Fund	1.99%	1.76%	2.11%	1.87%	1.81%
Spartan Connecticut Municipal Money Market Portfolio - Tax-equivalent	4.05%	3.43%	4.16%	3.49%	3.19%
Average All Taxable Money Market Fund	2.77%	2.71%	2.64%	2.64%	2.69%

</TABLE>

Row: 1, Col: 1, Value: 2.48
Row: 1, Col: 2, Value: 1.99
Row: 2, Col: 1, Value: 2.1
Row: 2, Col: 2, Value: 1.76
Row: 3, Col: 1, Value: 2.56
Row: 3, Col: 2, Value: 2.11
Row: 4, Col: 1, Value: 2.14
Row: 4, Col: 2, Value: 1.87
Row: 5, Col: 1, Value: 1.96
Row: 5, Col: 2, Value: 1.81
Spartan Connecticu
t
Municipal Money
Market Portfolio
Average
Connecticut
Tax-Free Money
Market Fund
3% -
2% -
1% -
0%

YIELD refers to the income paid by the fund over a given period. Yields for money market funds are usually for seven-day periods, expressed as annual percentage rates. A yield that assumes income earned is reinvested or compounded is called an effective yield. The chart above shows the fund's current seven-day yield at quarterly intervals over the past year. This would have been lower if Fidelity had not reimbursed certain fund expenses. You can compare these yields to those of the average Connecticut tax-free money market fund. Or you can look at the fund's tax-equivalent yields.

Tax-equivalent yields are based on a combined effective 1993 federal and Connecticut state income tax rate of 38.88% and reflect that a portion of the fund's yields for the periods were subject to state taxes. The tax-equivalent figures are useful in seeing how the fund stacked up against the average taxable money market fund as tracked by IBC/Donoghue. A portion of the fund's income may be subject to the federal alternative minimum tax. A MONEY MARKET FUND'S TOTAL RETURNS AND YIELDS REFLECT PAST RESULTS RATHER THAN PREDICT FUTURE PERFORMANCE.

COMPARING
PERFORMANCE

Yields on tax-free investments are usually lower than yields on taxable investments. However, a straight comparison between the two may be misleading because it ignores the way taxes reduce taxable returns. Tax-equivalent yield -- the yield you'd have to earn on a similar taxable investment to match the tax-free yield -- makes the comparison more meaningful. Keep in mind that the U.S. government neither insures nor guarantees a money market fund. In fact, there is no assurance that a money fund will maintain a $1 share price.

(checkmark)

SPARTAN CONNECTICUT MUNICIPAL MONEY MARKET PORTFOLIO

FUND TALK: THE MANAGER'S OVERVIEW

An interview with Scott Orr, Portfolio Manager of Spartan Connecticut Municipal Money Market Portfolio

Q. SCOTT, CAN YOU BRING US UP TO DATE ON THE SHORT-TERM SIDE OF THE MARKET AS OF THE END OF NOVEMBER?

A. I can best describe the market over the past year as uneventful. The Federal Reserve has kept the federal funds rate at 3% since September 1992, and that held short-term interest rates low. Fears of inflation bounced rates up slightly last May and again in late October. But neither episode caused me to significantly change the way I managed the fund. Over the last six months, supply and demand factors had a bigger influence on how I positioned the fund than changes in interest rates.

Q. CAN YOU EXPLAIN?

A. Sure. Because Connecticut is so small, there is often a low supply of short-term municipal debt in the state, especially issues with six-month to one-year maturities. That was the case through the summer, which forced me to keep the fund's average maturity on the short side. All of that changed in September. Suddenly, several state agencies and authorities - the Connecticut Housing Finance Authority among others - flooded the muni-market with new issues. The new supply was more than Connecticut funds like ours could snatch up, so issuers boosted yields to attract national buyers. I responded by selling some of the fund's lower-yielding issues to make room for this longer-maturity, higher-yielding debt. The move was reflected in the fund's average maturity, which increased from 38 days at the end of August to 80 days by the end of September. I've kept that figure on the long side ever since by holding on to the higher-yielding issues.

Q. HOW DID THE FUND'S PERFORMANCE LOOK NEXT TO THE COMPETITION?

A. Total return for the year ended November 30, 1993 was 2.21%, compared to 1.89% for the average Connecticut tax-free money market fund tracked by IBC/Donoghue. The fund's seven-day yield on November 30 was 1.96%, compared to 2.56% at the end of May. The latest yield translates into a tax-equivalent yield of 3.19% for investors in the 38.88% combined effective 1993 federal and state tax bracket.

Q. WHAT INFLUENCED PERFORMANCE?

A. One relatively new investing strategy that helped performance was is the use of simple derivatives. They combine a long-term municipal bond with a "put," or an option to sell to a third party, typically a bank. The end product is an investment that pays a short-term variable interest rate and can be put on short notice, usually seven days. It acts much like any other variable rate demand note the fund might own, with one key difference: the yield is slightly higher, a fact that has more to do with the added complexity of these instruments than added risk. Derivatives made up about 8% of the fund at the end of November.

Q. HOW DO YOU SEE THE NEXT SIX MONTHS SHAPING UP?

A. Rates in the tax-free market generally have been drifting lower, even during upturns in the taxable market. In an environment of falling rates, I want to hold onto my longer-term issues to take advantage of their higher yields. In general, I think rates will remain in a narrow range over the next six months. The economy is showing signs of strength. I wouldn't be surprised if, at some point, the Fed decides there's a real threat of rising inflation and moves to tighten the money supply by raising the federal funds rate. As the likelihood of tightening increases, I might position the fund to take advantage of rising rates by shortening its average maturity.

FUND FACTS

GOAL: tax-free income and stability by investing in high-quality, short-term, Connecticut municipal securities

START DATE: March 4, 1991

SIZE: as of November 30, 1993, over $163 million

MANAGER: Scott Orr, since October 1993; manager, Fidelity Connecticut Municipal Money Market, since October 1993; Fidelity Michigan Municipal Money Market, Fidelity New Jersey Tax-Free Money Market & Spartan New Jersey Money Market, since January 1992

(checkmark)

WORDS TO KNOW

COMMERCIAL PAPER: A security issued by a municipality to finance capital or operating needs.

FEDERAL FUNDS RATE: The interest rate banks charge each other for overnight loans.

MATURITY: The time remaining before an issuer is scheduled to repay the principal amount on a debt security. When the fund's average maturity - weighted by dollar amount - is short, the fund manager is anticipating a rise in interest rates. When the average maturity is long, the manager is expecting rates to fall. When the average maturity is neutral, the manager wants the flexibility to respond to rising rates, while still capturing a portion of the higher yields available from issues with longer maturities.

MUNICIPAL NOTE: A security issued in advance of future tax or other revenues and payable from those specific sources.

TENDER BOND: A variable-rate, long-term security that gives

the bond holder the option to
redeem the bond at face
value before maturity.
VARIABLE RATE DEMAND NOTE
(VRDN): A tender bond that
can be redeemed on short
notice, typically one or seven
days. VRDNs are useful in
managing the fund's average
maturity and liquidity.
SPARTAN CONNECTICUT MUNICIPAL MONEY MARKET PORTFOLIO

INVESTMENT CHANGES

MATURITY DIVERSIFICATION

DAYS	% OF FUND ASSETS 11/30/93	% OF FUND ASSETS 5/31/93	% OF FUND ASSETS 11/30/92
0 - 30	66	71	59
31 - 90	10	19	15
91 - 180	5	5	9
181 - 397	19	5	17

WEIGHTED AVERAGE MATURITY

	11/30/93	5/31/93	11/30/92
Spartan Connecticut Municipal Money Market Portfolio	72 days	38 days	72 days
Average Connecticut Tax-Free Money Market Fund*	76 days	44 days	61 days

ASSET ALLOCATION
AS OF 11/30/93 AS OF 5/31/93

Row: 1, Col: 1, Value: 54.0
Row: 1, Col: 2, Value: 19.0
Row: 1, Col: 3, Value: 21.0
Row: 1, Col: 4, Value: 5.0
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Row: 1, Col: 2, Value: 21.0
Row: 1, Col: 3, Value: 4.0
Row: 1, Col: 4, Value: 15.0
Row: 1, Col: 5, Value: 7.0
Variable rate
demand notes
(VRDNs) 54%
Commercial
paper 19%
Tender bonds 21%
Municipal
notes 5%
Other 1%
Variable rate
demand notes
(VRDNs) 53%
Commercial
paper 21%
Tender bonds 4%
Municipal
notes 15%
Other 7%
* SOURCE: IBC/DONOGHUE'S MONEY FUND REPORT(Registered trademark)
SPARTAN CONNECTICUT MUNICIPAL MONEY MARKET PORTFOLIO

INVESTMENTS/NOVEMBER 30, 1993
(Showing Percentage of Total Value of Investments)

MUNICIPAL SECURITIES (A) - 100%
PRINCIPAL VALUE
AMOUNT (NOTE 1)
CALIFORNIA - 0.8%
California Poll. Cont. Fing. Auth. Resource Recovery Rev.
(Delano Proj.) Series 1990, 2.20%,
LOC Algemene Bank, VRDN (b) $ 300,000 $ 300,000 130535BB
Orange County Apt. Dev. Rfdg., Series 1990 A, 3.10%
12/1/93, LOC Tokai Bank, VT 1,000,000 1,000,000 684990GB
1,300,000
CONNECTICUT - 75.9%
Connecticut Dev. Auth. Arpt. Facs. Rev. (Arpt. Hotel Bradley
Assoc. Ltd. Partnership Proj.) 2.25%, LOC Daiwa
Bank, VRDN 6,500,000 6,500,000 207907AK
Connecticut Dev. Auth. Hlth. Care Rev. (Corp. for Independent
Living Proj.), VRDN:
Series 1990, 2.25%, LOC Cr. Commercial de France 4,100,000 4,100,000
207913AP
Series 1993 A, 2.25%, LOC Daiwa Bank 2,400,000 2,400,000 207913BK
Connecticut Dev. Auth. Poll. Cont. Rev. (Conn. Light &
Power Co. Proj. 1993), VRDN:
Series A, 2.15%, LOC Deutsche Bank 7,500,000 7,500,000 207728BA
Series B, 2.20%, LOC Union Bank of Switzerland (b) 7,900,000 7,900,000
207728BB
Connecticut Dev. Auth. Rev. Gen. Oblig. Bond,
Series 1993 A, 5% 11/15/94 750,000 766,154 207910BR
Connecticut Dev. Auth. (Shelton Inn Proj.) Series 1986,
2.90%, LOC Bank of Tokyo, VRDN (b) 200,000 200,000 207727DN
Connecticut Dev. Auth. Solid Waste Disp. Fac. Rev., VRDN: (b)
(Exeter Energy Proj.):
Series 1989 A, 2.30%, LOC Sanwa Bank 1,500,000 1,500,000 207910AW
Series 1989 B, 2.30%, LOC Sanwa Bank 4,900,000 4,900,000 207910AX
(Rand-Whitney Containerboard), 2.30%,
LOC Chase Manhattan Bank 3,300,000 3,300,000 207910BQ
Connecticut Economic Recovery Gen. Oblig. Notes,
Series 1991 B, 2.25%, BPA Canadian Imperial
Bank, VRDN 1,700,000 1,700,000 207726D2
Connecticut Gen. Oblig. Ctfs. of Prtn., Series PA1,
2.50%, (Liquidity Enhancement Merrill Lynch) (c) 2,000,000 2,000,000
20772EBG
Connecticut Gen. Oblig. Series 1992 B, 4.50% 5/15/94 500,000 503,763
207726P4
Connecticut Gen. Oblig. Tender Option Bonds: (c)
Series BT 89, 2.60%, (Liquidity Enhancement
Banker's Trust) 1,600,000 1,600,000 2077265F
Series BT 130, 2.65%, (Liquidity Enhancement
Bankers Trust) 3,200,000 3,200,000 20772EGE
Series Mgt. 17A, 2.40%, (Liquidity Enhancement Morgan
Guaranty) 500,000 500,000 2077265D
MUNICIPAL SECURITIES (A) - CONTINUED
PRINCIPAL VALUE
AMOUNT (NOTE 1)
CONNECTICUT - CONTINUED
Connecticut Health & Ed. Facs. Auth. Rev.:
VRDN:
(Charlotte Hungerford Hosp.) Series B, 2.30%,
LOC Mitsubishi Bank Ltd. $ 1,800,000 $ 1,800,000 207742GT
(Kent School) Series A, 2.20%, LOC Barclays Bank PLC 5,900,000
5,900,000 207742JF
VT:
(Windham Commty. Mem. Hosp.) Series B, 2.35%
12/14/93, LOC Banque Paribas 4,000,000 4,000,000 207994SS
(Yale University):
Series L:
2.60% 2/8/94 1,550,000 1,550,000 207994SN
2.55% 2/17/94 500,000 500,000 207994SQ

Series M:
2.45% 12/8/93 2,000,000 2,000,000 207994SA
2.60% 2/16/94 3,900,000 3,900,000 207994SH
Series N:
2.45% 12/9/93 1,100,000 1,100,000 207994RW
2.50% 12/13/93 1,000,000 1,000,000 207994RJ
2.60% 2/16/94 1,350,000 1,350,000 207994SK
Series O:
2.45% 12/8/93 1,150,000 1,150,000 207994RY
2.60% 2/16/94 1,500,000 1,500,000 207994SG
Connecticut Hsg. Fin. Agcy. Hsg. Mtg. Fin. Prog.
Bonds, MT:
Series 1992 D-2, 2.75% 5/16/94 4,000,000 4,000,000 2077454L
Series 1993 H-1, 2.80% 11/15/94 6,800,000 6,800,000 207746BK
Series 1993 H-2, 2.90% 11/15/94 (b) 4,500,000 4,500,000 207746BL
Connecticut Hsg. Fin. Auth. Hsg. Mtg. Fin. Prog., VT: (b)
Series 1989 D:
2.55% 12/8/93 1,165,000 1,165,000 207995FY
2.50% 12/10/93 1,000,000 1,000,000 207995FU
2.45% 12/14/93 255,000 255,000 207995FV
2.60% 2/9/94 3,500,000 3,500,000 207995GA
Series 1990 C, 2.70% 2/8/94 800,000 800,000 207995GB
Connecticut Second Lien Special Tax Oblig. Bonds
(Transport Infrastructure) Series 1, 2.45%,
LOC Industrial Bank of Japan, VRDN 7,100,000 7,100,000 207757HF
Connecticut Spl. Assessment Unemployment Compensation
Advance Fund Rev. Tender Option Bonds, Series 1993 A,
2.70%, (Liquidity Enhancement Sumitomo Bank) (c) 2,000,000 2,000,000
207756AU
MUNICIPAL SECURITIES (A) - CONTINUED
PRINCIPAL VALUE
AMOUNT (NOTE 1)
CONNECTICUT - CONTINUED
Connecticut Spl. Assessment Unemployment Rev.,:
Series 1993 B, 2.25%, LOC Ind. Bank of Japan, VRDN $ 1,000,000 $
1,000,000 207756AR
Series 1993 C, 3% 7/1/94, MT 12,000,000 12,013,489 207756AS
Hartford Redev. Auth. (Underwood Towers Proj.), 2.45%,
(FSA Insured) (Liquidity Enhancement Sumitomo Trust &
Banking Ltd.), VRDN 1,700,000 1,700,000 416461AY
Milford BAN 2.68% 2/17/94 400,000 400,018 599377QA
120,553,424
FLORIDA - 2.6%
Dade County Ind. Dev. Rev. (Montenay-Dade Ltd. Proj.)
Series 1990 A, 2.40%, LOC Banque Paribas, VRDN (b) 4,100,000 4,100,000
233561AB
NEW YORK - 1.0%
New York City Ind. Dev. Agcy. Ind. Dev. Rev.
(Nippon Cargo Airlines Co.) Series 1992, 2.45%,
LOC Ind. Bank of Japan, VRDN (b) 1,600,000 1,600,000 649705FV
PUERTO RICO - 13.7%
Puerto Rico Commonwealth TRAN Series A, 3% 7/29/94 7,000,000 7,012,917
745144VX
Puerto Rico Hwy. and Trans. Rev. Series 1993 X, 2%,
LOC Union Bank of Switzerland,VRDN 6,000,000 6,000,000 745181LA
Puerto Rico Ind. Med. Higher Ed. & Envir. Cont. Fac. Fin. Auth., VT:
(A.G. Mendez Proj.) Series 1991, 2.45% 12/1/93,
LOC Banco Santander 700,000 700,000 745993JP
(Inter-America Univ.) Series 1988, 2.60% 12/7/93,
LOC Bank of Tokyo 4,000,000 4,000,000 745993JM
Puerto Rico Variable Rate Trust Certificates 2.175%
(Liquidity Enhancement Bankers Trust) (c) 4,060,000 4,060,000 99299DAA
21,772,917
SOUTH CAROLINA - 1.7%
South Carolina Jobs Econ. Dev. Auth. Rev.
(Wellman Inc. Proj.), VRDN: (b)
Series 1990, 2.30%, LOC Wachovia Bank & Trust 1,200,000 1,200,000
837031BP
Series 1992, 2.30%, LOC Wachovia Bank & Trust 1,500,000 1,500,000
837031DA
2,700,000

VIRGINIA - 4.3%
Richmond Ind. Dev. Auth. (I) Rev. (Cogentrix of Richmond
Inc. Proj.) Series 1990 A, 2.35%, LOC Banque
Paribas, VRDN (b) 3,600,000 3,600,000 765415KE
MUNICIPAL SECURITIES (A) - CONTINUED
PRINCIPAL VALUE
AMOUNT (NOTE 1)
VIRGINIA - CONTINUED
Richmond Ind. Dev. Auth. (II) Rev.(Cogentrix of Richmond
Inc. Proj.) Series 1991 A, 2.35%, LOC Banque
Paribas, VRDN (b) $ 1,800,000 $ 1,800,000 765415KF
Southampton County Ind. Dev. Auth. Ind. Rev.
(Hadson Pwr. 11 - Southampton Proj.) Series 1990 A,
2.30%, LOC Credit Suisse, VRDN (b) 1,400,000 1,400,000 841022AA
6,800,000
TOTAL INVESTMENTS - 100% $ 158,826,341

Total Cost for Income Tax Purposes $ 158,826,341

SECURITY TYPE ABBREVIATIONS
BAN - Bond Anticipation Notes
CP - Commercial Paper
FRDN - Floating Rate Demand Notes
MT - Mandatory Tender
OT - Optional Tender
RAN - Revenue Anticipation Notes
TAN - Tax Anticipation Notes
TRAN - Tax & Revenue Anticipation Notes
VRDN - Variable Rate Demand Notes
VT - Variable Tender

LEGEND
(a) The coupon rate shown on floating or adjustable rate securities
represents the rate at period end.
(b) Private activity obligations whose interest is subject to the federal
alternative minimum tax for individuals (AMT securities).
Provides evidence of ownership in an underlying pool of municipal bonds.
INCOME TAX INFORMATION
At November 30, 1993, the fund had a capital loss carryforward of
approximately $7,460 of which $40, $2,090, and $5,330 will expire on
November 30, 1999, 2000, and 2001, respectively.
SPARTAN CONNECTICUT MUNICIPAL MONEY MARKET PORTFOLIO

FINANCIAL STATEMENTS

STATEMENT OF ASSETS AND LIABILITIES

<TABLE>
<CAPTION>

<S>	<C>	<C>
NOVEMBER 30, 1993		
134.ASSETS	135.	136.
137.Investment in securities, at value (Note 1) - See accompanying schedule	138.	$ 158,826,341
139.Cash	140.	4,052,021
141.Receivable for investments sold	142.	600,169
143.Interest receivable	144.	456,867
145. TOTAL ASSETS	146.	163,935,398
147.LIABILITIES	148.	149.

150.Payable for investments purchased	$ 767,763	151.
152.Dividends payable	2,855	153.
154.Accrued management fee	63,157	155.
156. TOTAL LIABILITIES	157.	833,775
158.159.NET ASSETS	160.	$ 163,101,623
161.Net Assets consist of:	162.	163.
164.Paid in capital	165.	$ 163,109,080
166.Accumulated net realized gain (loss) on investments	167.	(7,457)
168.169.NET ASSETS, for 163,109,080 shares outstanding	170.	$ 163,101,623
171.172.NET ASSET VALUE, offering price and redemption price per share ($163,101,623 (divided by) 163,109,080 shares)	173.	$1.00

</TABLE>

STATEMENT OF OPERATIONS

<TABLE>
<CAPTION>

<S>	<C>	<C>
YEAR ENDED NOVEMBER 30, 1993		
174.INTEREST INCOME	175.	$ 3,100,095
176.EXPENSES	177.	178.
179.Management fee (Note 4)	$ 641,483	
180.Non-interested trustees' compensation	827	181.
182. Total expenses before reductions	642,310	183.
184. Expense reductions (Note 5)	(331,281)	311,029
185.NET INTEREST INCOME	186.	2,789,066
187.NET REALIZED GAIN (LOSS) ON INVESTMENTS (NOTE 1)	188.	(5,334)
189.NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	190.	$ 2,783,732

</TABLE>

STATEMENT OF CHANGES IN NET ASSETS

<TABLE>
<CAPTION>

<S>	<C> YEARS ENDED NOVEMBER 30,	<C>
	1993	1992
191.INCREASE (DECREASE) IN NET ASSETS		
192.Operations Net interest income	$ 2,789,066	$ 1,412,862
193. Net realized gain (loss) on investments	(5,334)	(2,086)

194. Increase (decrease) in net unrealized gain from accretion of market discount	-	(342)
195. NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS	2,783,732	1,410,434
196.Dividends to shareholders from net interest income	(2,789,066)	(1,412,862)
197.Share transactions at net asset value of $1.00 per share Proceeds from sales of shares	224,246,405	121,556,249
198. Reinvestment of dividends from net interest income	2,693,169	1,363,445
199. Cost of shares redeemed	(150,504,642)	(58,492,682)
200. Net increase (decrease) in net assets and shares resulting from share transactions	76,434,932	64,427,012
201. TOTAL INCREASE (DECREASE) IN NET ASSETS	76,429,598	64,424,584
202.NET ASSETS	203.	204.
205. Beginning of period	86,672,025	22,247,441
206. End of period	$ 163,101,623	$ 86,672,025

</TABLE>

FINANCIAL HIGHLIGHTS

<TABLE>
<CAPTION>

<S>	<C>	<C>	<C>
207.	YEARS ENDED NOVEMBER 30,		MARCH 4, 1991 (COMMENCEME NT OF OPERATIONS) T O NOVEMBER 30,
208.	1993	1992	1991
209.		210.	211.
212.SELECTED PER-SHARE DATA			
213.Net asset value, beginning of period	$ 1.000	$ 1.000	$ 1.000
214.Income from Investment Operations Net interest income	.022	.030	.029
215. Dividends from net interest income	(.022)	(.030)	(.029)
216.Net asset value, end of period	$ 1.000	$ 1.000	$ 1.000
217.TOTAL RETURN (dagger)	2.21%	3.08%	2.97%
218.RATIOS AND SUPPLEMENTAL DATA			
219.Net assets, end of period (000 omitted)	$ 163,102	$ 86,672	$ 22,247
220.Ratio of expenses to average net assets (dagger)(dagger)	.24%	.02%	-

221.Ratio of expenses to average net assets before expense reductions (dagger)(dagger)	.50%	.50%	.50%*
222.Ratio of net interest income to average net assets	2.17%	2.90%	4.05%*

</TABLE>

* ANNUALIZED
(dagger) TOTAL RETURNS FOR PERIODS OF LESS THAN ONE YEAR ARE NOT ANNUALIZED.
(dagger)(dagger) SEE NOTE 5 OF NOTES TO FINANCIAL STATEMENTS.

NOTES TO FINANCIAL STATEMENTS
for the period ended November 30, 1993

1. 2. SIGNIFICANT ACCOUNTING POLICIES.

Spartan Connecticut Municipal High Yield Portfolio (the high yield fund) is a fund of Fidelity Court Street Trust. Spartan Connecticut Municipal Money Market Portfolio (the money market fund) is a fund of Fidelity Court Street Trust II. Each trust is registered under the Investment Company Act of 1940, as amended (the 1940 Act), as an open-end management investment company. Fidelity Court Street Trust and Fidelity Court Street Trust II (the trusts) are organized as a Massachusetts business trust and a Delaware business trust, respectively. Each fund is authorized to issue an unlimited number of shares. The following summarizes the significant accounting policies of the money market fund and the high yield fund:

SECURITY VALUATION.

HIGH YIELD FUND. Securities are valued based upon a computerized matrix system and/or appraisals by a pricing service, both of which consider market transactions and dealer-supplied valuations. Short-term securities maturing within sixty days are valued either at amortized cost or original cost plus accrued interest, both of which approximate current value. Securities for which quotations are not readily available through the pricing service are valued at their fair value as determined in good faith under consistently applied procedures under the general supervision of the Board of Trustees.

MONEY MARKET FUND. As permitted under Rule 2a-7 of the Act, and certain conditions therein, securities are valued initially at cost and thereafter assume a constant amortization to maturity of any discount or premium.

INCOME TAXES. As a qualified regulated investment company under Subchapter M of the Internal Revenue Code, each fund is not subject to income taxes to the extent that it distributes all of its taxable income for the fiscal year. The schedules of investments include information regarding income taxes under the caption "Income Tax Information."

INTEREST INCOME. Interest income, which includes amortization of premium and accretion of original issue discount, is accrued as earned. For the money market fund, accretion of market discount represents unrealized gain until realized at the time of a security disposition or maturity.

EXPENSES. Most expenses of each trust can be directly attributed to a fund. Expenses which cannot be directly attributed are apportioned between the funds in the trust.

DISTRIBUTIONS TO SHAREHOLDERS. Dividends are declared daily and paid monthly from net interest income. Distributions to shareholders from realized capital gains on investments, if any, are recorded on the ex-dividend date.

REDEMPTION FEES. Shares held in the high yield fund less than 180 days are subject to a redemption fee equal to .50% of the proceeds of the redeemed shares. The fee, which is retained by the fund, is accounted for as an addition to paid in capital.

1. SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

SECURITY TRANSACTIONS. Security transactions are accounted for as of trade date. Gains and losses on securities sold are determined on the basis of identified cost.

3. 4. OPERATING POLICIES.

DELAYED DELIVERY TRANSACTIONS. The fund may purchase or sell securities on a when-issued or forward commitment basis. Payment and delivery may take place a month or more after the date of the transaction. The price of the

underlying securities and the date when the securities will be delivered and paid for are fixed at the time the transaction is negotiated. The fund identifies securities as segregated in its custodial records with a value at least equal to the amount of the purchase commitment.
FUTURES CONTRACTS AND OPTIONS. The high yield fund may invest in futures contracts and write options. These investments involve, to varying degrees, elements of market risk and risks in excess of the amount recognized in the Statement of Assets and Liabilities. The face or contract amounts reflect the extent of the involvement the high yield fund has in the particular classes of instruments. Risks may be caused by an imperfect correlation between movements in the price of the instruments and the price of the underlying securities and interest rates. Risks also may arise if there is an illiquid secondary market for the instruments, or due
to the inability of counterparties to perform.
Futures contracts are valued at the settlement price established each day by the board of trade or exchange on which they are traded. Options traded on an exchange are valued using the last sale price or, in the absence of a sale, the last offering price. Options traded over-the-counter are valued using dealer-supplied valuations.
5. 6. PURCHASES AND SALES OF
INVESTMENTS.
HIGH YIELD FUND. Purchases and sales of securities, other than short-term securities, aggregated $210,010,966 and $197,122,719, respectively. The face value of futures contracts opened and closed amounted to $247,245,563 and $252,995,251, respectively.
7. 8. FEES AND OTHER TRANSACTIONS WITH AFFILIATES.
MANAGEMENT FEE. As each fund's investment adviser, Fidelity Management & Research Company (FMR) pays all expenses except the compensation of the non-interested Trustees and certain exceptions such as interest, taxes, brokerage commissions and extraordinary expenses. FMR receives a fee that is computed daily at an annual rate of .50% and .55% of average net assets for the money market and high yield funds, respectively.
FMR also bears the cost of providing shareholder services to each fund. For the period, FMR or its affiliates collected certain transaction fees from shareholders which aggregated $8,635 and $4,895 for the high yield and money market funds, respectively.
4. FEES AND OTHER TRANSACTIONS WITH AFFILIATES - CONTINUED
SUB-ADVISER FEE. As the money market fund's investment sub-adviser, FMR Texas Inc., a wholly owned subsidiary of FMR, receives a fee from FMR of 50% of the management fee payable to FMR. The fee is paid prior to any voluntary expense reimbursements which may be in effect, and after reducing the fee for any payments by FMR pursuant to the fund's Distribution and Service Plan.
DISTRIBUTION AND SERVICE PLAN. Pursuant to the Distribution and Service Plans (the Plans), and in accordance with Rule 12b-1 of the Act, FMR or the funds' distributor, Fidelity Distributors Corporation (FDC), an affiliate of FMR, may use their resources to pay administrative and promotional expenses related to the sale of each fund's shares. Subject to the approval of each Board of Trustees, the Plans also authorize payments to third parties that assist in the sale of each fund's shares or render shareholder support services. FMR or FDC has informed the funds that payments made to third parties under the Plans amounted to $2,763 for the high yield fund and no payments were made for the money market fund for the period.
9. 10. REIMBURSEMENT OF
EXPENSES.
FMR has voluntarily agreed to reimburse the money market fund for total operating expenses (excluding interest, taxes, brokerage commissions and extraordinary expenses) above a specified percentage of average net assets. During the period, this expense limitation ranged from expenses in excess of an annual rate of .05% to .50% of average net assets and the reimbursement amounted to $331,281.
REPORT OF INDEPENDENT ACCOUNTANTS

To the Trustees of Fidelity Court Street Trust and Fidelity Court Street Trust II and the Shareholders of Spartan Connecticut Municipal High Yield Portfolio and Spartan Connecticut Municipal Money
Market Portfolio:
We have audited the accompanying statements of assets and liabilities of Spartan Connecticut Municipal High Yield Portfolio, a portfolio of Fidelity Court Street Trust, and Spartan Connecticut Municipal Money Market

Portfolio, a portfolio of Fidelity Court Street Trust II including the schedules of portfolio investments, as of November 30, 1993, the related statements of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended for the Spartan Connecticut Municipal High Yield Portfolio, and the financial highlights for each of the two years in the period then ended and for the period March 4, 1991 (commencement of operations) to November 30, 1991 for the Spartan Connecticut Municipal Money Market Portfolio. These financial statements and financial highlights are the responsibility of the Funds' management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

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 November 30, 1993 by correspondence with the custodian and brokers. 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 Spartan Connecticut Municipal High Yield Portfolio and Spartan Connecticut Municipal Money Market Portfolio as of November 30, 1993, the results of their operations for the year then ended, the changes in their net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended for the Spartan Connecticut Municipal High Yield Portfolio, and the financial highlights for each of the two years in the period then ended and for the period March 4, 1991 (commencement of operations) to November 30, 1991 for the Spartan Connecticut Municipal Money Market Portfolio, in conformity with generally accepted accounting principles.

COOPERS & LYBRAND
Boston, Massachusetts
December 30, 1993

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Salt Lake City, UT 84130-0280
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Fidelity Investments
P.O. Box 30281
Salt Lake City, UT 84130-0281
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Fidelity Investments
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Fidelity Investments
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Fidelity Investments
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Dallas, TX 75266-0602
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Los Angeles, CA
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Palo Alto, CA
1760 Challenge Way
Sacramento, CA
7676 Hazard Center Drive
San Diego, CA
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San Francisco, CA
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Walnut Creek, CA
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Stamford, CT
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FLORIDA
4400 N. Federal Highway
Boca Raton, FL
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4090 N. Ocean Boulevard
Ft. Lauderdale, FL
4001 Tamiami Trail, North
Naples, FL
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Palm Beach Gardens, FL
8065 Beneva Road, South
Sarasota, FL
2000 66th Street, North
St. Petersburg, FL
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1415 West 22nd Street
Oak Brook, IL
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Towson, MD
7401 Wisconsin Avenue
Bethesda, MD
MASSACHUSETTS
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Boston, MA
21 Congress Street
Boston, MA
25 State Street
Boston, MA
300 Granite Street
Braintree, MA
101 Cambridge Street
Burlington, MA
416 Belmont Street
Worcester, MA
MICHIGAN
280 North Woodward Ave.
Birmingham, MI
26955 Northwestern Hwy.
Southfield, MI
MINNESOTA
38 South Sixth Street
Minneapolis, MN
MISSOURI
700 West 47th Street
Kansas City, MO
200 North Broadway
St. Louis, MO
NEW JERSEY
60B South Street
Morristown, NJ
501 Route 17, South
Paramus, NJ
505 Millburn Avenue
Short Hills, NJ
NEW YORK
1050 Franklin Avenue
Garden City, NY
999 Walt Whitman Road
Melville, L.I., NY
71 Broadway
New York, NY
350 Park Avenue
New York, NY
10 Bank Street
White Plains, NY
NORTH CAROLINA
2200 West Main Street
Durham, NC
OHIO
600 Vine Street
Cincinnati, OH
1903 East Ninth Street
Cleveland, OH
28699 Chagrin Boulevard
Woodmere Village, OH
OREGON
121 S.W. Morrison Street
Portland, OR
PENNSYLVANIA
1735 Market Street
Philadelphia, PA
439 Fifth Avenue
Pittsburgh, PA
TENNESSEE
5100 Poplar Avenue
Memphis, TN
TEXAS
10000 Research Boulevard

Austin, TX
7001 Preston Road
Dallas, TX
1155 Dairy Ashford
Houston, TX
1010 Lamar Street
Houston, TX
2701 Drexel Drive
Houston, TX
400 East Las Colinas Blvd.
Irving, TX
14100 San Pedro
San Antonio, TX
UTAH
175 East 400 South Street
Salt Lake City, UT
VERMONT
199 Main Street
Burlington, VT
VIRGINIA
8300 Boone Boulevard
Vienna, VA
WASHINGTON
411 108th Avenue, N.E.
Bellevue, WA
1001 Fourth Avenue
Seattle, WA
WASHINGTON, DC
1775 K Street, N.W.
Washington, DC
WISCONSIN
222 East Wisconsin Avenue
Milwaukee, WI

INVESTMENT ADVISER

Fidelity Management & Research
Company
Boston, MA
SUB-ADVISER
FMR Texas Inc.
Irving, TX
OFFICERS
Edward C. Johnson 3d, President
J. Gary Burkhead, Senior Vice President
Peter Allegrini, Vice President,
HIGH YIELD FUND
Thomas D. Maher, Assistant
Vice President, MONEY MARKET FUND
Gary L. French, Treasurer
John H. Costello, Assistant Treasurer
Arthur S. Loring, Secretary

GENERAL DISTRIBUTOR
Fidelity Distributors Corporation
Boston, MA
TRANSFER AND SHAREHOLDER
SERVICING AGENTS
United Missouri Bank, N.A.

Kansas City, MO
and
Fidelity Service Co.
Boston, MA
CUSTODIAN
United Missouri Bank, N.A.
Kansas City, MO
FIDELITY'S TAX-FREE
MONEY MARKET FUNDS
California Tax-Free Money Market
Connecticut Municipal Money Market
Massachusetts Tax-Free Money Market
Michigan Municipal Money Market
New Jersey Tax-Free Money Market
New York Tax-Free Money Market
Ohio Municipal Money Market
Spartan California Municipal
Money Market
Spartan Connecticut Municipal
Money Market
Spartan Florida Municipal Money Market
Spartan Massachusetts Municipal
Money Market
Spartan Municipal Money Fund
Spartan New Jersey Municipal
Money Market
Spartan New York Municipal
Money Market
Spartan Pennsylvania Municipal
Money Market
Tax-Exempt Money Market
THE FIDELITY
TELEPHONE CONNECTION
MUTUAL FUND 24-HOUR SERVICE
Account Balances 1-800-544-7544
Exchanges/Redemptions 1-800-544-7777
Mutual Fund Quotes 1-800-544-8544
Account Assistance 1-800-544-6666
Product Information 1-800-544-8888
Retirement Accounts 1-800-544-4774 (8 a.m. - 9 p.m.)
TDD Service 1-800-544-0111
for the deaf and hearing impaired
(9 a.m. - 9 p.m. Eastern time)
* INDEPENDENT TRUSTEES
AUTOMATED LINES FOR QUICKEST SERVICE

Exhibit 11

CONSENT OF INDEPENDENT ACCOUNTANTS

To the Trustees of Fidelity Court Street Trust and Shareholders of:
Spartan Connecticut Municipal High Yield Portfolio
Spartan Florida Municipal Income Portfolio
Spartan New Jersey Municipal High Yield Portfolio

We hereby consent to the incorporation by reference into each fund's Statement of Additional Information in Post Effective Amendment No. 49 to the Registration Statement on Form N-1A (the "Registration Statement") of Spartan Connecticut Municipal High Yield Portfolio, Spartan Florida Municipal Income Portfolio, and Spartan New Jersey Municipal High Yield Portfolio, of our reports dated December 30, 1993, relating to the financial statements and financial highlights which are incorporated by reference in said Statements of Additional Information.

We also consent to the incorporation by reference in this Post-Effective Amendment of our report, dated December 21, 1993, accompanying the financial statements of Fidelity Connecticut Municipal Money Market Portfolio; and of our reports, dated December 30, 1993, accompanying the financial statements of Spartan Connecticut Municipal Money Market Portfolio and Spartan Florida Municipal Money Market Portfolio.

We further consent to the references to our Firm in the Prospectuses and Statements of Additional Information under the headings "Financial Highlights" and "Auditor."

/s/ COOPERS & LYBRAND
COOPERS & LYBRAND

Boston, Massachusetts
January 6, 1994