

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM N-PX

ANNUAL REPORT OF PROXY VOTING RECORD OF REGISTERED MANAGEMENT
INVESTMENT COMPANY

Investment Company Act file number: 811-21187

PIMCO Municipal Income Fund III
(Exact name of registrant as specified in charter)

1345 Avenue of the Americas, New York, NY 10105
(Address of Principal Executive Office)

Allianz Global Investors Fund Management LLC
1345 Avenue of the Americas
New York, NY 10105
(Name and Address of Agent for Service)

Registrant's telephone number, including area code: 212-739-3000

Date of fiscal year end: September 30

Date of reporting period: July 1, 2006 through June 30, 2007

Item 1. Proxy Voting Record

***** FORM N-Px REPORT *****

ICA File Number: 811-21187
Reporting Period: 07/01/2006 - 06/30/2007
PIMCO Municipal Income Fund III

===== PIMCO MUNICIPAL INCOME FUND III =====
===== END NPX REPORT

SIGNATURES

Pursuant to the requirements of the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

(Registrant): PIMCO Municipal Income Fund III

By (Signature and Title)*: /s/ Thomas J. Fuccillo

Name: Thomas J. Fuccillo
Title: Secretary

Date: August 31, 2007