

Delaware Investments National Municipal Income Fund
Form N-CSRS
December 05, 2012

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM N-CSR

**CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT
INVESTMENT COMPANIES**

Investment Company Act file number:	811-07410
Exact name of registrant as specified in charter:	Delaware Investments® National Municipal Income Fund
Address of principal executive offices:	2005 Market Street Philadelphia, PA 19103
Name and address of agent for service:	David F. Connor, Esq. 2005 Market Street Philadelphia, PA 19103
Registrant's telephone number, including area code:	(800) 523-1918
Date of fiscal year end:	March 31
Date of reporting period:	September 30, 2012

Item 1. Reports to Stockholders

Semiannual Report

Delaware
Investments®
Closed-End
Municipal Bond
Funds

September 30, 2012

The figures in the semiannual report for Delaware Investments Closed-End Municipal Bond Funds represent past results, which are not a guarantee of future results. A rise or fall in interest rates can have a significant impact on bond prices. Funds that invest in bonds can lose their value as interest rates rise.

Closed-end funds

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Unless otherwise noted, views expressed herein are current as of Sept. 30, 2012, and subject to change. Information is as of the date indicated and subject to change.

Funds are not FDIC insured and are not guaranteed. It is possible to lose the principal amount invested.

Mutual fund advisory services are provided by Delaware Management Company, a series of Delaware Management Business Trust, which is a registered investment advisor. Delaware Investments, a member of Macquarie Group, refers to Delaware Management Holdings, Inc. and its subsidiaries. Macquarie Group refers to Macquarie Group Limited and its subsidiaries and affiliates worldwide.

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Fund basics

**Delaware Investments®
Colorado Municipal Income Fund, Inc.**

As of September 30, 2012

Fund objective

The Fund seeks to provide current income exempt from both regular federal income tax and Colorado state personal income tax, consistent with the preservation of capital.

Total Fund net assets

\$75 million

Number of holdings

77

Fund start date

July 29, 1993

CUSIP number

246101109

**Delaware Investments
National Municipal Income Fund**

As of September 30, 2012

Fund objective

The Fund seeks to provide current income exempt from regular federal income tax, consistent with the preservation of capital.

Total Fund net assets

\$68 million

Number of holdings

161

Fund start date

Feb. 26, 1993

CUSIP number

24610T108

**Delaware Investments
Minnesota Municipal Income Fund II, Inc.**

As of September 30, 2012

Fund objective

The Fund seeks to provide current income exempt from both regular federal income tax and Minnesota state personal income tax, consistent with the preservation of capital.

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Total Fund net assets

\$179 million

Number of holdings

136

Fund start date

Feb. 26, 1993

CUSIP number

24610V103

Security type/Sector/State allocations

As of September 30, 2012

Sector designations may be different than the sector designations presented in other Fund materials.

Delaware Investments® Colorado Municipal Income Fund, Inc.

Security type/Sector	Percentage of Net Assets
Municipal Bonds	138.45%
Corporate-Backed Revenue Bond	1.27%
Education Revenue Bonds	21.12%
Electric Revenue Bonds	5.81%
Healthcare Revenue Bonds	30.35%
Housing Revenue Bonds	2.48%
Lease Revenue Bonds	10.62%
Local General Obligation Bonds	13.77%
Pre-Refunded Bonds	3.16%
Special Tax Revenue Bonds	34.27%
State & Territory General Obligation Bonds	2.48%
Transportation Revenue Bonds	8.37%
Water & Sewer Revenue Bonds	4.75%
Total Value of Securities	138.45%
Liquidation Value of Preferred Stock	(39.74%)
Receivables and Other Assets Net of Liabilities	1.29%
Total Net Assets	100.00%

Delaware Investments Minnesota Municipal Income Fund II, Inc.

Security type/Sector	Percentage of Net Assets
Municipal Bonds	142.88%
Corporate-Backed Revenue Bonds	11.58%
Education Revenue Bonds	16.56%
Electric Revenue Bonds	6.44%
Healthcare Revenue Bonds	38.09%
Housing Revenue Bonds	6.65%
Lease Revenue Bonds	8.72%
Local General Obligation Bonds	10.20%
Pre-Refunded/Escrowed to Maturity Bonds	21.75%
Special Tax Revenue Bonds	9.27%
State & Territory General Obligation Bonds	9.85%
Transportation Revenue Bonds	2.16%
Water & Sewer Revenue Bonds	1.61%
Total Value of Securities	142.88%
Liquidation Value of Preferred Stock	(42.01%)
Liabilities Net of Receivables and Other Assets	(0.87%)
Total Net Assets	100.00%

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Sector designations may be different than the sector designations presented in other Fund materials.

Delaware Investments® National Municipal Income Fund

Security type/Sector	Percentage of Net Assets
Municipal Bonds	142.25%
Corporate-Backed Revenue Bonds	17.22%
Education Revenue Bonds	22.15%
Electric Revenue Bonds	5.13%
Healthcare Revenue Bonds	24.18%
Housing Revenue Bonds	2.47%
Lease Revenue Bonds	12.59%
Local General Obligation Bonds	3.61%
Pre-Refunded Bond	1.86%
Special Tax Revenue Bonds	18.41%
State & Territory General Obligation Bonds	9.53%
Transportation Revenue Bonds	19.44%
Water & Sewer Revenue Bonds	5.66%
Short-Term Investments	1.10%
Total Value of Securities	143.35%
Liquidation Value of Preferred Stock	(44.15%)
Receivables and Other Assets Net of Liabilities	0.80%
Total Net Assets	100.00%

	(as a % of fixed income investments)
State	
Alaska	0.34%
Arizona	15.12%
California	13.09%
Colorado	1.11%
Delaware	0.56%
Florida	4.13%
Georgia	1.61%
Guam	1.14%
Hawaii	0.34%
Idaho	1.14%
Illinois	1.13%
Iowa	0.54%
Kansas	0.17%
Louisiana	1.76%
Maine	0.36%
Maryland	2.56%
Massachusetts	1.03%
Minnesota	0.26%
Missouri	2.26%
New Hampshire	0.36%
New Jersey	3.83%
New Mexico	0.56%
New York	18.75%
Ohio	1.75%
Oregon	2.59%
Pennsylvania	7.80%
Puerto Rico	6.45%
Tennessee	0.58%
Texas	5.62%
Virginia	1.86%
Washington D.C.	0.28%
West Virginia	0.63%
Wyoming	0.29%
Total	100.00%

Statements of net assets

Delaware Investments® Colorado Municipal Income Fund, Inc.
September 30, 2012 (Unaudited)

	Principal Amount	Value
Municipal Bonds 138.45%		
Corporate-Backed Revenue Bond 1.27%		
Public Authority for Colorado Energy Natural Gas Revenue Series 2008 6.50% 11/15/38	\$ 750,000	\$ 958,343
		958,343
Education Revenue Bonds 21.12%		
Colorado Educational & Cultural Facilities Authority Revenue (Academy Charter School Project) 5.50% 5/1/36 (SGI) (Bromley Charter School Project) 5.25% 9/15/32 (SGI) (Johnson & Wales University Project) Series A 5.00% 4/1/28 (SGI) (Littleton Charter School Project) 4.375% 1/15/36 (ASSURED GTY) (Student Housing - Campus Village Apartments) 5.00% 6/1/23	1,720,000 3,245,000 3,000,000 1,200,000 1,065,000	1,752,542 3,350,398 3,011,700 1,193,856 1,196,400
Colorado State Board of Governors Revenue (University Enterprise System) Series A 5.00% 3/1/39	700,000	774,137
University of Colorado 5.00% 6/1/31	3,185,000	3,776,486
University of Colorado Enterprise Systems Revenue Series A 5.375% 6/1/38	750,000	884,558
		15,940,077
Electric Revenue Bonds 5.81%		
Colorado Springs Utilities System Improvement Revenue Series C 5.50% 11/15/48	750,000	882,165
Platte River Power Authority Revenue Series HH 5.00% 6/1/28	1,500,000	1,748,730
Puerto Rico Electric Power Authority Revenue Series TT 5.00% 7/1/37 Series WW 5.50% 7/1/38 Series XX 5.25% 7/1/40	685,000 300,000 750,000	685,952 314,661 755,880
		4,387,388
Healthcare Revenue Bonds 30.35%		
Aurora Hospital Revenue (Children's Hospital Association Project) Series A 5.00% 12/1/40	2,000,000	2,208,080
Colorado Health Facilities Authority Revenue (Boulder Community Hospital Project) 5.00% 10/1/32 (Catholic Health Initiatives) Series A 5.00% 7/1/39 Series A 5.00% 2/1/41 Series A 5.25% 2/1/33 Series C-1 5.10% 10/1/41 (AGM) Series D 6.125% 10/1/28 (Christian Living Communities Project) 6.375% 1/1/41	500,000 750,000 2,400,000 1,625,000 1,000,000 750,000 615,000	559,505 809,415 2,630,184 1,881,945 1,072,380 889,073 680,030

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	Series A 5.75% 1/1/37 (Covenant Retirement Communities) 5.00% 12/1/33 (Evangelical Lutheran Good Samaritan Society) 5.25% 6/1/23 (National Jewish Health Project) 5.00% 1/1/27 (Sisters of Charity of Leavenworth Health System) 5.00% 1/1/40 (Total Long-Term Care) Series A 6.00% 11/15/30	885,000 1,000,000 1,000,000 500,000 4,750,000 400,000 750,000 750,000 500,000 650,000	912,833 1,055,030 1,076,610 536,140 5,175,932 452,224 856,050 820,275 533,910 758,199 22,907,815
Housing Revenue Bonds 2.48%	Colorado Housing & Finance Authority (Single Family Mortgage - Class 1) Series A 5.50% 11/1/29 (FHA) (VA) (HUD) Puerto Rico Housing Finance Authority Subordinated-Capital Fund Modernization 5.125% 12/1/27 5.50% 12/1/18	400,000 1,000,000 300,000	415,184 1,106,870 351,135 1,873,189
Lease Revenue Bonds 10.62%	Aurora Certificates of Participation Refunding Series A 5.00% 12/1/30 Colorado State Building Excellent Schools Today Certificates of Participation Series G 5.00% 3/15/32 Glendale Certificates of Participation 5.00% 12/1/25 (SGI) Pueblo County Certificates of Participation (County Judicial Complex Project) 5.00% 9/15/42 (AGM)	630,000 2,000,000 1,500,000 2,000,000	715,775 2,294,599 1,624,065 2,267,600

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	Principal Amount	Value
Municipal Bonds (continued)		
Lease Revenue Bonds (continued)		
Puerto Rico Public Buildings Authority Revenue (Guaranteed Government Facilities) Series M-2 5.50% 7/1/35 (AMBAC)	\$ 550,000	\$ 590,563
Regional Transportation District Certificates of Participation Series A 5.375% 6/1/31	460,000	528,264
		8,020,866
Local General Obligation Bonds 13.77%		
Arapahoe County School District #1 Englewood 5.00% 12/1/31	2,935,000	3,534,502
Boulder, Larimer & Weld Counties St. Vrain Valley School District No. Re-1J 5.00% 12/15/33	750,000	863,558
Bowles Metropolitan District 5.00% 12/1/33 (AGM)	2,000,000	2,042,139
Denver City & County (Better Denver & Zoo) Series A 5.00% 8/1/25	1,150,000	1,379,966
Denver International Business Center Metropolitan District #1 5.00% 12/1/30	650,000	685,861
Jefferson County School District #R-1 5.25% 12/15/24	750,000	995,423
Rangely Hospital District 6.00% 11/1/26	750,000	894,585
		10,396,034
§Pre-Refunded Bonds 3.16%		
Adams & Arapahoe Counties Joint School District #28J (Aurora) 6.00% 12/1/28-18	600,000	780,120
Arapahoe County Water & Wastewater Public Improvement District Series A 5.125% 12/1/32-12 (NATL-RE)	635,000	640,499
Colorado Health Facilities Authority Revenue (Evangelical Lutheran Good Samaritan Society) Series A 6.125% 6/1/38-14	750,000	822,292
Sand Creek Metropolitan District 5.00% 12/1/31-13 (SGI)	135,000	142,362
		2,385,273
Special Tax Revenue Bonds 34.27%		
Denver Convention Center Hotel Authority Revenue Refunding 5.00% 12/1/35 (SGI)	2,795,000	2,874,965
Guam Government Business Privilege Tax Revenue Series A 5.125% 1/1/42 5.25% 1/1/36	435,000 565,000	486,269 641,388
Puerto Rico Infrastructure Financing Authority Special Tax Revenue Series B 5.00% 7/1/41	2,475,000	2,472,921
Puerto Rico Sales Tax Financing Revenue First Subordinate Series A 5.50% 8/1/37 Series A 5.50% 8/1/42 Series A 5.75% 8/1/37 Series A-1 5.00% 8/1/43 Series C 5.00% 8/1/40 Series C 5.00% 8/1/46	700,000 1,000,000 590,000 2,000,000 1,000,000 750,000	752,591 1,067,990 654,399 2,084,760 1,080,380 804,893

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Series C 6.00% 8/1/39	500,000	562,235
Regional Transportation District		
Revenue (FasTracks Project) Series A		
4.375% 11/1/31 (AMBAC)	1,250,000	1,316,425
4.50% 11/1/36 (AGM)	3,000,000	3,170,970
5.00% 11/1/28 (AMBAC)	2,500,000	2,870,950
5.00% 11/1/38	4,085,000	4,660,126
Sand Creek Metropolitan District		
5.00% 12/1/31 (SGI)	365,000	367,894
		25,869,156
State & Territory General Obligation Bonds 2.48%		
Puerto Rico Commonwealth		
(Public Improvement)		
Series A 5.00% 7/1/41	500,000	502,455
Series C 6.00% 7/1/39	505,000	534,058
Western State College 5.00% 5/15/34	750,000	838,365
		1,874,878
Transportation Revenue Bonds 8.37%		
Denver City & County Airport System		
Revenue Series A 5.25% 11/15/36	750,000	847,050
E-470 Public Highway Authority		
Revenue Series C 5.25% 9/1/25	310,000	339,391
Puerto Rico Highway & Transportation		
Authority Revenue Series K		
5.00% 7/1/30	2,580,000	2,602,601
Regional Transportation District		
Revenue (Denver Transit Partners)		
6.00% 1/15/41	2,175,000	2,526,197
		6,315,239
Water & Sewer Revenue Bonds 4.75%		
Colorado Water Resources & Power		
Development Authority Revenue		
(Parker Water & Sanitation		
District) Series D		
5.125% 9/1/34 (NATL-RE)	1,500,000	1,537,500
5.25% 9/1/43 (NATL-RE)	2,000,000	2,047,120
		3,584,620
Total Municipal Bonds		
(cost \$96,709,911)		104,512,878

(continues) 5

Statements of net assets

Delaware Investments[®] Colorado Municipal Income Fund, Inc.

Total Value of Securities 138.45%		
(cost \$96,709,911)		
	\$	104,512,878
Liquidation Value of Preferred		
Stock (39.74%)		(30,000,000)
Receivables and Other Assets		
Net of Liabilities 1.29%		976,219
Net Assets Applicable to 4,837,100		
Shares Outstanding; Equivalent to		
\$15.61 Per Share 100.00%	\$	75,489,097
Components of Net Assets at September 30, 2012:		
Common stock, \$0.01 par value, 200 million shares authorized to the Fund	\$	66,918,121
Undistributed net investment income		711,778
Accumulated net realized gain on investments		56,231
Net unrealized appreciation of investments		7,802,967
Total net assets	\$	75,489,097

Variable rate security. The rate shown is the rate as of September 30, 2012. Interest rates reset periodically.

§Pre-refunded bonds. Municipal bonds that are generally backed or secured by U.S. Treasury bonds. For pre-refunded bonds, the stated maturity is followed by the year in which the bond is pre-refunded. See Note 9 in Notes to financial statements.

See Note 6 in Notes to financial statements.

Summary of Abbreviations:

AGM Insured by Assured Guaranty Municipal Corporation
 AMBAC Insured by AMBAC Assurance Corporation
 ASSURED GTY Insured by Assured Guaranty Corporation
 FHA Federal Housing Administration
 HUD Housing & Urban Development Section 8
 NATL-RE Insured by National Public Finance Guarantee Corporation
 SGI Insured by Syncora Guarantee Inc.
 VA Veterans Administration collateral

See accompanying notes, which are an integral part of the financial statements.

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Delaware Investments® Minnesota Municipal Income Fund II, Inc.
September 30, 2012 (Unaudited)

	Principal Amount	Value
Municipal Bonds 142.88%		
Corporate-Backed Revenue Bonds 11.58%		
Cloquet Pollution Control Revenue (Potlatch Project) 5.90% 10/1/26	\$ 5,500,000	\$ 5,515,620
Laurentian Energy Authority Cogeneration Revenue Series A 5.00% 12/1/21	3,325,000	3,490,851
Sartell Environmental Improvement Revenue (International Paper) Series A 5.20% 6/1/27	1,000,000	1,017,250
Tobacco Securitization Authority Revenue (Tobacco Settlement) Series B 5.25% 3/1/26	2,000,000	2,289,060
5.25% 3/1/31	7,400,000	8,365,182
		<u>20,677,963</u>
Education Revenue Bonds 16.56%		
Baytown Township Lease Revenue (St. Croix Preparatory Academy) 5.75% 8/1/42	300,000	301,746
Minnesota Higher Education Facilities Authority Revenue (Augsburg College) Series 6-J1 5.00% 5/1/28 (Carleton College) Series D 5.00% 3/1/30 Series 6-T 5.00% 1/1/28 (College of St. Benedict) Series 5-W 5.00% 3/1/20 Series 7-M 5.00% 3/1/31 5.125% 3/1/36 (St. Catherine University) Series 7-Q 5.00% 10/1/32 (St. Mary's University) Series 5-U 4.80% 10/1/23 (St. Scholastic College) Series H 5.25% 12/1/35 (University of St. Thomas) Series 6-X 5.00% 4/1/29 Series 7-A 5.00% 10/1/39	1,500,000 1,120,000 1,000,000 2,000,000 300,000 275,000 700,000 1,400,000 1,000,000 2,250,000 1,000,000	1,546,035 1,289,165 1,159,020 2,019,160 320,988 292,245 795,291 1,423,226 1,101,800 2,459,768 1,121,200
Minnesota State Colleges & Universities Series A 4.00% 10/1/17	750,000	864,683
St. Paul Housing & Redevelopment Authority Charter School Lease Revenue (Nova Classical Academy) Series A 6.375% 9/1/31	750,000	822,068
University of Minnesota Series A 5.00% 12/1/27 5.00% 12/1/28 5.00% 12/1/29 5.00% 12/1/31 5.00% 12/1/36 5.25% 4/1/29 Series C 5.00% 12/1/19	1,110,000 1,880,000 2,265,000 1,000,000 3,000,000 1,000,000 1,290,000	1,375,867 2,321,292 2,781,850 1,216,150 3,547,979 1,187,010 1,609,804
		<u>29,556,347</u>
Electric Revenue Bonds 6.44%		
Central Minnesota Municipal		

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	Power Agency Revenue (Brookings Southeast Twin Cities Transportation) 5.00% 1/1/32		1,130,000	1,307,998
	Chaska Electric Revenue (Generating Facilities) Series A 5.25% 10/1/25		250,000	269,843
	Minnesota Municipal Power Agency Electric Revenue Series A 5.00% 10/1/34 5.25% 10/1/19		1,900,000 1,610,000	2,037,142 1,745,111
	Southern Minnesota Municipal Power Agency Supply Revenue Series A 5.25% 1/1/30		1,000,000	1,143,720
	Western Minnesota Municipal Power Agency Supply Revenue Series A 5.00% 1/1/25 5.00% 1/1/26		3,000,000 1,000,000	3,747,209 1,238,730
				11,489,753
Healthcare Revenue Bonds	38.09%			
	Anoka Health Care Facility Revenue (Homestead Anoka Income Project) Series A 7.00% 11/1/46		1,200,000	1,281,588
	Center City Health Care Facilities Revenue (Hazelden Foundation Project) 4.75% 11/1/31 5.00% 11/1/41		850,000 1,600,000	912,603 1,740,608
	Duluth Economic Development Authority Revenue (St. Lukes Hospital Authority Obligation Group) 5.75% 6/15/32 6.00% 6/15/39		200,000 800,000	206,746 830,320
	Fergus Falls Health Care Facilities Revenue (Lake Region Healthcare) 5.00% 8/1/30		1,000,000	1,048,730
	Glencoe Health Care Facilities Revenue (Glencoe Regional Health Services Project) 5.00% 4/1/25		2,000,000	2,030,460
	Maple Grove Health Care System Revenue (Maple Grove Hospital) 5.25% 5/1/37		1,100,000	1,156,881
	Minneapolis Health Care System Revenue (Fairview Health Services) Series A 6.375% 11/15/23 Series A 6.625% 11/15/28 Series B 6.50% 11/15/38 (ASSURED GTY) Series D 5.00% 11/15/34 (AMBAC)		605,000 850,000 2,295,000 2,000,000	732,909 1,024,242 2,851,744 2,074,600

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Statements of net assets

Delaware Investments® Minnesota Municipal Income Fund II, Inc.

	Principal Amount	Value
Municipal Bonds (continued)		
Healthcare Revenue Bonds (continued)		
Minneapolis Revenue (National Marrow Donor Program Project) 4.875% 8/1/25	\$ 1,000,000	\$ 1,040,530
Minnesota Agricultural & Economic Development Board Revenue Un-Refunded Balance Series A 5.75% 11/15/26 (NATL-RE) 6.375% 11/15/29	100,000 195,000	100,180 195,421
Rochester Health Care & Housing Revenue (Samaritan Bethany) Series A 7.375% 12/1/41	1,220,000	1,378,417
Rochester Health Care Facilities Revenue (Mayo Clinic) 4.00% 11/15/41 Series C 4.50% 11/15/38	8,780,000 2,000,000	9,264,743 2,433,580
Sartell Health Care Facility Revenue (Country Manor Campus Project) 5.25% 9/1/30	1,000,000	