

Eaton Vance Tax-Managed Buy-Write Income Fund
Form N-CSR
March 09, 2007

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: **811-21676**

Eaton Vance Tax-Managed Buy-Write Income Fund
(Exact Name of registrant as Specified in Charter)

The Eaton Vance Building, 255 State Street, Boston, Massachusetts 02109
(Address of Principal Executive Offices)

Alan R. Dynner
The Eaton Vance Building, 255 State Street, Boston, Massachusetts 02109
(Name and Address of Agent for Services)

(617) 482-8260
(registrant's Telephone Number)

December 31
Date of Fiscal Year End

December 31, 2006
Date of Reporting Period

Item 1. Reports to Stockholders

Annual Report December 31, 2006

EATON VANCE
TAX-MANAGED
BUY-WRITE
INCOME
FUND

**IMPORTANT NOTICES REGARDING PRIVACY,
DELIVERY OF SHAREHOLDER DOCUMENTS,
PORTFOLIO HOLDINGS, AND PROXY VOTING**

Privacy. The Eaton Vance organization is committed to ensuring your financial privacy. Each of the financial institutions identified below has in effect the following policy ("Privacy Policy") with respect to nonpublic personal information about its customers:

Only such information received from you, through application forms or otherwise, and information about your Eaton Vance fund transactions will be collected. This may include information such as name, address, social security number, tax status, account balances and transactions.

None of such information about you (or former customers) will be disclosed to anyone, except as permitted by law (which includes disclosure to employees necessary to service your account). In the normal course of servicing a customer's account, Eaton Vance may share information with unaffiliated third parties that perform various required services such as transfer agents, custodians and broker/dealers.

Policies and procedures (including physical, electronic and procedural safeguards) are in place that are designed to protect the confidentiality of such information.

We reserve the right to change our Privacy Policy at any time upon proper notification to you. Customers may want to review our Policy periodically for changes by accessing the link on our homepage: www.eatonvance.com.

Our pledge of privacy applies to the following entities within the Eaton Vance organization: the Eaton Vance Family of Funds, Eaton Vance Management, Eaton Vance Investment Counsel, Boston Management and Research, and Eaton Vance Distributors, Inc.

In addition, our Privacy Policy only applies to those Eaton Vance customers who are individuals and who have a direct relationship with us. If a customer's account (i.e., fund shares) is held in the name of a third-party financial adviser/broker-dealer, it is likely that only such adviser's privacy policies apply to the customer. This notice supersedes all previously issued privacy disclosures.

For more information about Eaton Vance's Privacy Policy, please call 1-800-262-1122.

Delivery of Shareholder Documents. The Securities and Exchange Commission (the "SEC") permits funds to deliver only one copy of shareholder documents, including prospectuses, proxy statements and shareholder reports, to fund investors with multiple accounts at the same residential or post office box address. This practice is often called "householding" and it helps eliminate duplicate mailings to shareholders.

Eaton Vance, or your financial adviser, may household the mailing of your documents indefinitely unless you instruct Eaton Vance, or your financial adviser, otherwise.

If you would prefer that your Eaton Vance documents not be househanded, please contact Eaton Vance at 1-800-262-1122, or contact your financial adviser.

Your instructions that householding not apply to delivery of your Eaton Vance documents will be effective within 30 days of receipt by Eaton Vance or your financial adviser.

Portfolio Holdings. Each Eaton Vance Fund and its underlying Portfolio (if applicable) will file a schedule of its portfolio holdings on Form N-Q with the SEC for the first and third quarters of each fiscal year. The Form N-Q will be available on the Eaton Vance website www.eatonvance.com, by calling Eaton Vance at 1-800-262-1122 or in the EDGAR database on the SEC's website at www.sec.gov. Form N-Q may also be reviewed and copied at the SEC's public reference room in Washington, D.C. (call 1-800-732-0330 for information on the operation of the public reference room).

Proxy Voting. From time to time, funds are required to vote proxies related to the securities held by the funds. The Eaton Vance Funds or their underlying Portfolios (if applicable) vote proxies according to a set of policies and procedures approved by the Funds' and Portfolios' Boards. You may obtain a description of these policies and procedures and information on how the Funds or Portfolios voted proxies relating to portfolio securities during the most recent 12 month period ended June 30, without charge, upon request, by calling 1-800-262-1122. This description is also available on the SEC's website at www.sec.gov.

Eaton Vance Tax-Managed Buy-Write Income Fund as of December 31, 2006

INVESTMENT UPDATE

Walter A. Row, CFA
Eaton Vance
Management

Thomas Seto
Parametric Portfolio
Associates LLC

David Stein, Ph.D.
Parametric Portfolio
Associates LLC

Ronald M. Egalka
Rampart Investment
Management

The Fund

- Eaton Vance Tax-Managed Buy-Write Income Fund (the Fund) is a diversified, closed-end investment company traded on the New York Stock Exchange under the symbol ETB.
- Based on share price, the Fund had a total return of 27.44% for the year ended December 31, 2006. This return resulted from an increase in share price to \$21.10 on December 31, 2006, from \$18.16 on December 31, 2005, and the reinvestment of \$1.80 in quarterly distributions.
- Based on net asset value (NAV), the Fund had a total return of 14.88% for the year ended December 31, 2006. This return resulted from an increase in NAV per share to \$20.32 on December 31, 2006, from \$19.40 on December 31, 2005, and the reinvestment of all

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distributions.

- For comparison, the CBOE S&P 500 BuyWrite Index – an unmanaged stock-plus-covered-call index created and maintained by the Chicago Board Options Exchange – had a return of 13.33% during the same period.(1) The S&P 500 Stock Index – a broad-based, unmanaged, market index commonly used as a measure of overall U.S. stock market performance – had a total return of 15.78% during the same period.(1)
- The Fund’s Lipper peer group, Lipper Options Arbitrage/Options Strategies Funds Classification, had a total return of 13.71% at NAV during the same period.(1)

Management Discussion

- The Fund’s primary investment objective is to provide current income and gains, with a secondary objective of capital appreciation. In pursuing these objectives, the Fund invests in a diversified portfolio of common stocks that seeks to exceed the performance of the S&P 500 Stock Index,(1) sells S&P 500 call options on a continuous basis and employs a number of tax-management strategies.
- The U.S. stock market moved modestly higher through April 2006, but underwent a sharp correction in May and June 2006, as the spike in oil prices and the flagging real estate market temporarily cooled investor sentiment. The market moved higher in mid-summer, as the Federal Reserve left rates unchanged in a series of meetings. That pause interrupted a string of 17 consecutive rate hikes dating to June 2004. The market rally gained further momentum in the fall of 2006, as energy prices continued to decline from their summer peak. Good corporate earnings and increasing merger activity generated further market momentum through the rest of the year.
- The Fund maintained a highly diversified portfolio of stocks that tracked the S&P 500 Stock Index.(1) Among the Fund’s common stock holdings, its largest sector weightings at December 31, 2006, were financials, information technology, health care, consumer discretionary and energy.
- The Fund’s chief investment strategy seeks current earnings from option premiums. At December 31, 2006, the Fund had written call options on 100% of its equity holdings. The level of option premium available from writing call options is dependent, to a large extent, on investors’ expectation of the future volatility of the underlying asset. This volatility expectation, or implied volatility, is the primary driving force in determining the level of option premiums.
- The implied volatility of equity index options moderated in the second half of 2006, in step with a slow but steady advance in the U.S. capital markets. This low implied volatility was designed into options modeling and strategy. Should market volatility revert to the

(1) *It is not possible to invest directly in an Index or a Lipper Classification. An Index’s total return does not reflect commissions or expenses that would have been incurred if an investor individually purchased or sold the securities represented in the Index. The Lipper average is the average total return, at net asset value, of the funds that are in the same Lipper Classification as the Fund. Lipper Averages are available as of month end only.*

Past performance is no guarantee of future results. Returns are historical and are calculated by determining the percentage change in net asset value or share price (as applicable) with all distributions reinvested. The Fund’s performance at market share price will differ from its results at NAV. Although share price performance generally reflects investment results over time, during shorter periods, returns at share price can also be affected by factors such as changing perceptions about the Fund, market conditions, fluctuations in supply and demand for the Fund’s shares, or changes in Fund distributions. Investment return and principal value will fluctuate so that shares, when sold, may be worth more or less than their original cost. Performance is for the stated time period only; due to market volatility, the Fund’s current performance may be lower or higher than quoted. For performance as of the most recent month end, please refer to www.eatonvance.com.

Fund shares are not insured by the FDIC and are not deposits or other obligations of, or guaranteed by, any depository institution. Shares are subject to investment risks, including possible loss of principal invested.

Eaton Vance Tax-Managed Buy-Write Income Fund as of December 31, 2006

INVESTMENT UPDATE

mean by increasing, the higher attendant implied volatilities and thus, higher option premiums benefit the Fund by giving Rampart the opportunity to generate more income and/or write call options further out-of-the-money.

A call option is out-of-the-money when its strike price is greater than the price of the underlying security. The Fund tends to write farther out-of-the-money options after a market decline (when implied volatility typically increases) a good time to have more upside exposure. Conversely, the Fund tends to write closer-to-the-money options after a period of market strength (when implied volatility typically decreases) a good time to be taking a more conservative position. In effect, this strategy seeks to emulate a buy low (less hedge)/sell high (more hedge) investment approach.

Management pursued a tax-managed strategy in order to minimize the impact of federal income taxes. The Fund used losses to offset gains, selected share lots for sale that would result in more favorable tax treatment and emphasized investments in stocks paying qualified dividend income.

Performance

Average Annual Total Returns (by share price, New York Stock Exchange)	
One Year	27.44 %
Life of Fund (4/29/05)	15.21
Average Annual Total Returns (at net asset value)	
One Year	14.88 %
Life of Fund	12.66

Past performance is no guarantee of future results. Returns are historical and are calculated by determining the percentage change in net asset value or share price (as applicable) with all distributions reinvested. The Fund's performance at market share price will differ from its results at NAV. Although share price performance generally reflects investment results over time, during shorter periods, returns at share price can also be affected by factors such as changing perceptions about the Fund, market conditions, fluctuations in supply and demand for the Fund's shares, or changes in Fund distributions. Investment return and principal value will fluctuate so that shares, when sold, may be worth more or less than their original cost. Performance is for the stated time period only; due to market volatility, the Fund's current performance may be lower or higher than quoted. For performance as of the most recent month end, please refer to www.eatonvance.com.

The views expressed throughout this report are those of the portfolio managers and are current only through the end of the period of the report as stated on the cover. These views are subject to change at any time based upon market or other conditions, and the investment adviser disclaims any responsibility to update such views. These views may not be relied on as investment advice and, because investment decisions for a fund are based on many factors, may not be relied on as an indication of trading intent on behalf of any Eaton Vance fund.

Sector Weightings(1)

By total investments

(1) Reflects the Fund's total investments as of December 31, 2006. Fund information may not be representative of the Fund's current or future investments and may change due to active management.

Ten Largest Holdings(2)

By total investments

Exxon Mobil Corp.	4.1 %
General Electric Co.	3.6
Citigroup, Inc.	2.7
Microsoft Corp.	2.6
Bank of America Corp.	2.4
Procter & Gamble Co.	2.0
Cisco Systems, Inc.	1.9
Chevron Corp.	1.8
International Business Machines Corp.	1.7
Johnson & Johnson Co.	1.6

(2) Ten Largest Holdings represented 24.4% of the Fund's total investments as of December 31, 2006. Fund information may not be representative of the Fund's current or future investments and may change due to active management.

Eaton Vance Tax-Managed Buy-Write Income Fund as of December 31, 2006

PORTFOLIO OF INVESTMENTS

Common Stocks 100.7%		
Security	Shares	Value
Aerospace & Defense 2.0%		
Boeing Co.	27,232	\$ 2,419,291
Honeywell International, Inc.	64,761	2,929,788
Northrop Grumman Corp.	26,780	1,813,006
Rockwell Collins, Inc.	7,248	458,726
United Technologies Corp.	38,848	2,428,777
		\$ 10,049,588
Air Freight & Logistics 0.5%		
United Parcel Service, Inc., Class B	36,301	\$ 2,721,849
		\$ 2,721,849
Airlines 0.4%		
Southwest Airlines Co.	122,034	\$ 1,869,561
		\$ 1,869,561
Auto Components 0.4%		
BorgWarner, Inc.	16,316	\$ 962,970
Johnson Controls, Inc.	13,713	1,178,221
		\$ 2,141,191
Beverages 3.2%		
Anheuser-Busch Cos, Inc.	79,253	\$ 3,899,248
Brown-Forman Corp., Class B	6,113	404,925
Coca-Cola Co.	130,353	6,289,532
PepsiCo, Inc.	82,053	5,132,415
		\$ 15,726,120
Biotechnology 1.3%		
Amgen, Inc. ⁽¹⁾	64,255	\$ 4,389,259
Biogen Idec, Inc. ⁽¹⁾	35,276	1,735,226
CV Therapeutics, Inc. ⁽¹⁾	10,306	143,872
		\$ 6,268,357
Capital Markets 3.8%		
Amvescap PLC ADR	54,842	\$ 1,351,855
Bank of New York Co., Inc.	99,510	3,917,709
Credit Suisse Group ADR	21,404	1,495,069
Federated Investors, Inc., Class B	32,602	1,101,296
Franklin Resources, Inc.	31,557	3,476,635
Security		
Capital Markets (continued)		
Goldman Sachs Group, Inc.	3,037	\$ 605,426
Merrill Lynch & Co., Inc.	31,837	2,964,025
Morgan Stanley	49,306	4,014,988
		\$ 18,927,003
Chemicals 1.3%		

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Ashland, Inc.	6,811	\$ 471,185
E.I. du Pont de Nemours and Co.	77,067	3,753,934
Eastman Chemical Co.	31,031	1,840,449
Rohm and Haas Co.	7,911	404,410
		\$ 6,469,978
Commercial Banks 2.9%		
Comerica, Inc.	6,819	\$ 400,139
Compass Bancshares, Inc.	5,081	303,082
First Horizon National Corp.	5,141	214,791
Huntington Bancshares, Inc.	9,423	223,796
Marshall & Ilsley Corp.	8,458	406,914
National City Corp.	89,918	3,287,402
Popular, Inc.	50,757	911,088
Wachovia Corp.	105,100	5,985,445
Wells Fargo & Co.	82,804	2,944,510
		\$ 14,677,167
Commercial Services & Supplies 1.0%		
Acco Brands Corp. ⁽¹⁾	4,260	\$ 112,762
Avery Dennison Corp.	382	25,949
Cintas Corp.	28,120	1,116,645
R.R. Donnelley & Sons Co.	57,895	2,057,588
Waste Management, Inc.	51,616	1,897,920
		\$ 5,210,864
Communications Equipment 4.0%		
Cisco Systems, Inc. ⁽¹⁾	343,090	\$ 9,376,650
Corning, Inc. ⁽¹⁾	112,580	2,106,372
Harris Corp.	30,013	1,376,396
Motorola, Inc.	116,382	2,392,814
Nokia Oyj ADR	48,082	977,026
QUALCOMM, Inc.	90,295	3,412,248
Tellabs, Inc. ⁽¹⁾	25,662	263,292
		\$ 19,904,798

See notes to financial statements

Eaton Vance Tax-Managed Buy-Write Income Fund as of December 31, 2006

PORTFOLIO OF INVESTMENTS CONT'D

Security	Shares	Value
Computer Peripherals 3.1%		
Hewlett-Packard Co.	41,218	\$ 1,697,769
International Business Machines Corp.	89,023	8,648,584
Network Appliance, Inc. ⁽¹⁾	30,962	1,216,187
Palm, Inc. ⁽¹⁾	18,656	262,863
SanDisk Corp. ⁽¹⁾	20,338	875,144
Seagate Technology	66,365	1,758,672
Synaptics, Inc. ⁽¹⁾	39,754	1,180,296
		\$ 15,639,515
Construction & Engineering 0.1%		
Fluor Corp.	8,580	\$ 700,557
		\$ 700,557
Consumer Finance 1.0%		
American Express Co.	47,841	\$ 2,902,513
Capital One Financial Corp.	28,163	2,163,482
		\$ 5,065,995
Containers & Packaging 0.2%		
Bemis Co., Inc.	8,256	\$ 280,539
Temple-Inland, Inc.	20,807	957,746
		\$ 1,238,285
Distributors 0.1%		
Genuine Parts Co.	7,145	\$ 338,887
		\$ 338,887
Diversified Consumer Services 0.3%		
H&R Block, Inc.	58,152	\$ 1,339,822
		\$ 1,339,822
Diversified Financial Services 6.6%		
Bank of America Corp.	226,316	\$ 12,083,011
Citigroup, Inc.	246,225	13,714,732
JPMorgan Chase & Co.	144,915	6,999,394
		\$ 32,797,137
Diversified Telecommunication Services 3.4%		
AT&T, Inc.	169,919	\$ 6,074,604
BellSouth Corp.	12,669	596,837
Citizens Communications Co.	177,817	