PIONEER MUNICIPAL & EQUITY INCOME TRUST
Form 4
January 08, 2008

FORM 4

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

OMB APPROVAL
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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
LIPSON ARTHUR D

(Last) (First) (Middle)

C/O WESTERN INVESTMENT LLC, 7050 SOUTH UNION PARK CENTER, SUITE 590

(Street)

MIDVALE, UT 84047

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
PIONEER MUNICIPAL & EQUITY INCOME TRUST [[PBF]]

3. Date of Earliest Transaction (Month/Day/Year)
01/07/2008

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer
(Check all applicable)
__X__ Director
_____ 10% Owner
_____ Officer (give title below)
_____ Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ Form filed by One Reporting Person
___ Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(*e.g.*, puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Equity Swap (obligation to purchase)	$ 13.84	01/07/2008		P/K[(1)]		1,000 [(1)]		01/07/2008	05/05/2008	Common Stock, no par value	1,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
LIPSON ARTHUR D C/O WESTERN INVESTMENT LLC 7050 SOUTH UNION PARK CENTER, SUITE 590 MIDVALE, UT 84047		X		

Signatures

By: /s/ Arthur D. Lipson	01/08/2008
**Signature of Reporting Person	Date

Explanation of Responses:

***** If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

****** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) On January 7, 2008, Western Investment Activism Partners LLC (WIAP) and a securities broker (Broker) amended the cash settled equity swap contract originally entered into on May 29, 2007 between Broker and WIAP so as to add a notional 1,000 shares of common stock of the Issuer to the equity notional amount of the shares subject to the equity swap. By the terms of the equity swap: (i) WIAP will be obligated to pay to Broker the equity notional amount of the shares subject to the equity swap (Reference Shares) as of the beginning of the valuation period (which resets monthly), plus interest, and (ii) Broker will be obligated to pay to WIAP the market value of the Reference Shares as of the end of the valuation period. Any dividends received by Broker on the Reference Shares during the term of the equity swap will be paid to WIAP. All balances will be cash settled and there will be no transfer to WIAP of voting or dispositive power over the Reference Shares.

(2) Following the January 7, 2008 amendment to the cash settled equity swap contract, there is an aggregate of 1,094,400 shares of common stock underlying the equity swap contract between WIAP and Broker.

(3) For purposes of Section 16 of the Securities Exchange Act of 1934, as amended, and the Rules promulgated thereunder, as the sole managing member of Western Investment LLC (Western) which in turn is the managing member of WIAP, Mr. Lipson may be deemed to beneficially own the shares of common stock underlying the equity swap. Each of Mr. Lipson, Western and WIAP disclaims such

beneficial ownership except to the extent of his or its pecuniary interest therein, if any.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.
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