

FEDERATED PREMIER MUNICIPAL INCOME FUND
Form DEF 14A
July 22, 2008

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934

Filed by the Registrant
Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to Sec. 240.14a-12

Federated Premier Municipal Income Fund
(Name of Registrant as Specified In Its Charter)

N/A
(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

- 1. Title of each class of securities to which transaction applies:
- 2. Aggregate number of securities to which transaction applies:
- 3. Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):
- 4. Proposed maximum aggregate value of transaction:
- 5. Total fee paid:

- Fee paid previously with preliminary proxy materials.
- Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

1)	Amount Previously Paid:
<hr/>	
2)	Form, Schedule or Registration Statement No.:
<hr/>	
3)	Filing Party:
<hr/>	

4)

Date Filed:

Federated Premier Municipal Income Fund
Federated Premier Intermediate Municipal Income Fund

Proxy Statement - Please Vote!

TIME IS OF THE ESSENCE . . . VOTING ONLY TAKES A FEW MINUTES AND YOUR PARTICIPATION IS IMPORTANT! ACT NOW TO HELP AVOID ADDITIONAL EXPENSE.

Federated Premier Municipal Income Fund and Federated Premier Intermediate Municipal Income Fund (the "Funds") will hold a joint annual meeting of shareholders on September 19, 2008. It is important for you to vote. We recommend that you read the Proxy Statement in its entirety.

Why am I being asked to vote?

The Funds' Common Shares are listed on the New York Stock Exchange. The rules of the Exchange require that the Funds hold an annual meeting each year for the election of Trustees.

What am I being asked to vote on?

The proposals include:

- The election of four Class II Trustees by each Fund's Common and Preferred Shareholders. The Board of Trustees (the "Board") has nominated J. Christopher Donahue, Nicholas P. Constantakis, John F. Cunningham, and Marjorie P. Smuts for these positions.
- The election of two Trustees by each Fund's Preferred Shareholders only. The Board has nominated Peter E. Madden and John S. Walsh for these positions.

How do I vote my shares?

To vote, you may complete and return the enclosed proxy card, or vote in person at the meeting. If you:

1. Do not respond at all, we may contact you by telephone to request that you cast your vote.
2. Sign and return the proxy card without indicating a preference, your vote will be cast "for" the election of the nominees named in this Proxy Statement.

Whom do I call if I have questions about the Proxy Statement?

Call your Investment Professional or a Federated Client Service Representative. Federated's toll-free number is 1-800-730-6001.

After careful consideration, the Board of Trustees has unanimously approved these nominees. The Board recommends that you read the enclosed materials carefully and vote FOR the election of the nominees.

FEDERATED PREMIER MUNICIPAL INCOME FUND
FEDERATED PREMIER INTERMEDIATE MUNICIPAL INCOME FUND

NOTICE OF JOINT ANNUAL MEETING OF SHAREHOLDERS
TO BE HELD SEPTEMBER 19, 2008

The Joint Annual Meeting of the shareholders of FEDERATED PREMIER MUNICIPAL INCOME FUND and FEDERATED PREMIER INTERMEDIATE MUNICIPAL INCOME FUND (the "Funds") will be held at 5800 Corporate Drive, Pittsburgh, Pennsylvania 15237-7000, at 2:00 p.m. (Eastern time), on September 19, 2008 for the following purposes:

- (1) To elect four Class II Trustees of each Fund (Common and Preferred Shareholders).
- (2) To elect two Trustees of each Fund (Preferred Shareholders only).
- (3) To transact such other business as may properly come before the meeting or any adjournment thereof.

The Board of Trustees has fixed July 8, 2008, as the record date for determination of shareholders entitled to vote at the meeting.

By Order of the Trustees

[Missing Graphic Reference]

John W. McGonigle
Secretary

July 24, 2008

PLEASE SIGN, DATE AND RETURN THE ENCLOSED PROXY CARD PROMPTLY.

YOU CAN HELP THE FUNDS AVOID THE NECESSITY AND EXPENSE OF SENDING FOLLOW-UP LETTERS TO ENSURE A QUORUM BY PROMPTLY RETURNING THE ENCLOSED PROXY CARD. IF YOU ARE UNABLE TO ATTEND THE MEETING, PLEASE MARK, SIGN, DATE AND RETURN THE ENCLOSED PROXY CARD SO THAT THE NECESSARY QUORUM MAY BE REPRESENTED AT THE ANNUAL MEETING. THE ENCLOSED ENVELOPE REQUIRES NO POSTAGE IF MAILED IN THE UNITED STATES.

TABLE OF CONTENTS

About the Proxy Solicitation and the Joint Annual Meeting	1
Proposal #1 - Election of Four Class II Trustees (Common and Preferred Shareholders)	2
Proposal #2 - Election of Two Trustees (Preferred Shareholders only)	3
Information About the Funds	4

Proxies, Quorum and Voting at the Joint Annual Meeting.....	4
About the Trustees.....	5
Board of Trustees.....	5
Officers of the Funds.....	12
Share Ownership of the Funds.....	12
Meetings of the Board.....	13
Committees of the Board.....	13
Shareholder Communications.....	14
Independent Auditors.....	15
Section 16(a) Beneficial Ownership Reporting Compliance.....	18
Shareholder Proposals for 2009 Annual Meeting.....	18
Other Matters and Discretion of Attorneys Named in the Proxy.....	18
Audit Committee Report.....	Exhibit A

PROXY STATEMENT

FEDERATED PREMIER MUNICIPAL INCOME FUND
 FEDERATED PREMIER INTERMEDIATE MUNICIPAL INCOME FUND
 Federated Investors Funds
 5800 Corporate Drive
 Pittsburgh, PA 15237-7000

About the Proxy Solicitation and the Joint Annual Meeting

The enclosed proxy is solicited on behalf of the Boards of Trustees (each a “Board” or “Trustees”) of Federated Premier Municipal Income Fund and Federated Premier Intermediate Municipal Income Fund (each a “Fund” and collectively, the “Funds”). The proxies will be voted at the Joint Annual Meeting of Shareholders of the Funds to be held on September 19, 2008, at 5800 Corporate Drive, Pittsburgh, Pennsylvania, at 2:00 p.m. local time (the "Joint Annual Meeting").

The Joint Annual Meeting is scheduled as a joint meeting of the respective holders of common shares (the “Common Shareholders”) and preferred shares (the “Preferred Shareholders” and, together, the “Shareholders”) of the two Funds because the Shareholders of the Funds are expected to consider and vote on similar matters. Shareholders of each Fund will vote separately on the proposals set forth herein and on any other matters that may arise for that Fund, and an unfavorable vote on the proposals by the Shareholders of one Fund will not affect the implementation of the proposals by the other Fund if the Proposals are approved by the Shareholders of the other Fund.

The cost of the solicitation, including the printing and mailing of proxy materials, will be borne by the Funds. In addition to solicitations through the mail, proxies may be solicited by officers, employees, and agents of the Funds. Such persons will receive no additional compensation for making such solicitations. In the unlikely event that quorum is not reached in a timely manner, the Funds may also employ Broadridge Financial Solutions, Inc. as a

proxy solicitor pursuant to its standard contract, the cost of which will be borne by the Funds and is estimated to be approximately \$3,500 per Fund. Solicitations by such persons may be by telephone, facsimile, electronic mail, or otherwise. Any telephonic solicitations will follow procedures designed to ensure accuracy and prevent fraud, including requiring identifying shareholder information, recording the shareholder's instructions, and confirming to the shareholder after the fact. The Funds will reimburse custodians, nominees, and fiduciaries for the reasonable costs incurred by them in connection with forwarding solicitation materials to the beneficial owners of shares held of record by such persons.

The purposes of the Joint Annual Meeting are set forth in the accompanying Notice. The Trustees know of no business that will be presented for consideration at the Joint Annual Meeting other than that mentioned in the Notice. Should other business properly be brought before the Joint Annual Meeting, proxies will be voted in accordance with the best judgment of the persons named as proxies. This Proxy Statement and the enclosed proxy cards are expected to first be mailed on or about July 24, 2008 to shareholders of record at the close of business on July 8, 2008 (the "Record Date"). On the Record Date, the Funds had outstanding the following numbers of shares:

Common Shares	Preferred Shares		
Federated Premier Municipal Income Fund		6,136,693	2,147
Federated Premier Intermediate Municipal Income Fund		6,946,981	2,441

The classes of Fund shares listed in the table above are the only classes of shares currently authorized by each Fund.

The Funds' Annual Report, which includes audited financial statements for the fiscal year ended November 30, 2007, was mailed to shareholders on or about January 29, 2008. A copy of the Annual Report will be furnished, without charge, to any shareholder of either Fund upon request by calling 1-800-730-6001. The Funds' semi-annual report, which includes unaudited financial statements for the six months ended May 31, 2008, accompanies this proxy statement. The most recent shareholder reports also can be accessed from the "Products" section of the Federated Investors website at FederatedInvestors.com. The Funds' principal executive offices are located at 5800 Corporate Drive, Pittsburgh, Pennsylvania 15237-7000. The Funds' toll-free telephone number is 1-800-730-6001. Federated Investment Management Company (the "Adviser") serves as the investment adviser for each Fund and Federated Administrative Services (the "Administrator") serves as the administrator for each Fund. The address for both the Adviser and the Administrator is Federated Investors Tower, Pittsburgh, Pennsylvania 15222-3779.

**PROPOSAL #1 - ELECTION OF FOUR CLASS II TRUSTEES
(COMMON AND PREFERRED SHAREHOLDERS)**

In accordance with each Fund's Amended and Restated Agreement and Declaration of Trust (each a "Declaration"), the Trustees elected by the Common and Preferred shareholders of each Fund have been divided into the following three classes (each a "Class"): Class I, whose term will expire at the Funds' 2010 annual meeting of shareholders; Class II, whose term will expire at the Funds' 2008 annual meeting of shareholders; and Class III, whose term will expire at the Funds' 2009 annual meeting of shareholders. At each annual meeting, successors to the Class of Trustees whose term expires at that annual meeting shall be elected for a three-year term. Accordingly, shareholders will vote to elect Class II Trustees at the Joint Annual Meeting to serve for an approximately three-year term until the 2011 annual meeting and until their successors shall be duly elected and shall qualify.

The following table summarizes, for both Funds, the nominees who will stand for election by both the Common and Preferred shareholders at the Joint Annual Meeting, the respective Class of Trustees to which they have been

designated and the expiration of their respective terms if elected:

Trustee	Class	Expiration of Term if Elected*
J. Christopher Donahue	Class II	2011 Annual Meeting
Nicholas P. Constantakis	Class II	2011 Annual Meeting
John F. Cunningham	Class II	2011 Annual Meeting
Marjorie P. Smuts	Class II	2011 Annual Meeting

* A Trustee elected at an annual meeting shall hold office until the annual meeting for the year in which his or her term expires and until his or her successor shall be elected and shall qualify, subject, however, to prior death, resignation, retirement, disqualification or removal from office.

The persons named as proxies intend to vote in favor of the election of J. Christopher Donahue, Nicholas P. Constantakis, John F. Cunningham and Marjorie P. Smuts as Class II Trustees of each Fund. All of the nominees are presently serving as Trustees. Please see "Information about the Funds" for current biographical information about Messrs. J. C. Donahue, Constantakis, and Cunningham, and Ms. Smuts.

In the election of the Class II Trustees, the holders of each Fund's Common Shares and Preferred Shares will vote together as a single class, with each share being entitled to one vote. In the election of Class II Trustees for each Fund, the four nominees receiving the highest numbers of votes will be elected.

The Board of Trustees of the Funds unanimously recommends that shareholders vote "FOR" the election of these nominees.

PROPOSAL #2 - ELECTION OF TWO TRUSTEES (PREFERRED SHAREHOLDERS ONLY)

In accordance with each Fund's Declaration, at each annual meeting the holders of the Fund's Preferred Shares, voting separately as a class, are entitled to elect two Trustees. The two Trustees elected by the Preferred Shareholders at each annual meeting serve for an approximately one-year term until the next annual meeting and until their successors shall be duly elected and shall qualify. The Common Shareholders of the Funds do not have the right to vote with respect to the election of these two Trustees.

The following table summarizes, for both Funds, the nominees who will stand for election by the Funds' Preferred shareholders at the Joint Annual Meeting and the expiration of their respective terms if elected:

Trustee	Expiration of Term if Elected*
Peter E. Madden	2009 Annual Meeting
John S. Walsh	2009 Annual Meeting

* A Trustee elected at an annual meeting shall hold office until the annual meeting for the year in which his or her term expires and until his or her successor shall be elected and shall qualify, subject, however, to prior death, resignation, retirement, disqualification or removal from office.

The persons named as proxies intend to vote in favor of the election of Peter E. Madden and John S. Walsh as Trustees of each Fund. Both of the nominees are presently serving as Trustees. Please see "Information about the Funds" for current biographical information about Messrs. Madden and Walsh.

In the election of the two Trustees to be elected by the Preferred Shareholders, the holders of each Fund's Preferred Shares will vote separately as a class, with each share being entitled to one vote. In the election of these Trustees for each Fund, the two nominees receiving the highest numbers of votes will be elected.

The Board of Trustees of the Funds unanimously recommends that shareholders vote "FOR" the election of these nominees.

INFORMATION ABOUT THE FUNDS

Proxies, Quorum and Voting at the Joint Annual Meeting

In each election of Trustees, the qualified nominees receiving the highest numbers of votes cast by the shareholders entitled to vote in such election at a meeting at which a quorum is present, up to the number of Trustees to be elected in such election, shall be elected.

Only shareholders of record on the Record Date are entitled to vote at the Joint Annual Meeting. Each Common and Preferred Share of the Funds is entitled to one vote on all matters to be voted on by that class of shares. Fractional shares are entitled to proportionate shares of one vote. Shareholders do not have cumulative voting rights in the election of Trustees.

Any person giving a proxy has the power to revoke it any time prior to its exercise by executing a later dated proxy or a written notice of revocation and submitting it to the Secretary of the Fund. In addition, although mere attendance at the Joint Annual Meeting will not revoke a proxy, a shareholder present at the Joint Annual Meeting may withdraw his or her proxy and vote in person. All properly executed and unrevoked proxies received in time for the Joint Annual Meeting will be voted in accordance with the instructions contained in the proxies. If no instruction is given on the proxy, the persons named as proxies will vote the shares represented thereby in favor of the nominees named in this Proxy Statement.

All nominees named above have consented to continue to serve if elected. If any nominee named above shall by reason of death or for any other reason become unavailable as a candidate at the Annual Meeting, votes pursuant to the enclosed proxy will be cast for a substitute candidate selected by the Nominating Committee of the Board. The Board has no reason to believe that any nominee will become unavailable for election as a Trustee.

In order to hold each Fund's annual meeting, a "quorum" of shareholders must be present. Holders of one-third of the total number of outstanding Preferred Shares of the Fund, present in person or by proxy, shall be required to constitute a quorum for the purpose of voting on the election of the two Trustees to be elected separately by the Preferred Shareholders. Holders of one-third of the total number of outstanding Common and Preferred Shares of the Fund, present in person or by proxy, shall be required to constitute a quorum for the purpose of voting on the election of the Class II Trustees and any other matter which is properly presented for action by the Shareholders at a Fund's annual meeting.

If a quorum is not present for any proposal, the persons named as proxies may vote those proxies which have been received in favor of one or more adjournments of the Joint Annual Meeting to permit further solicitations of proxies with respect to such proposal(s). All such adjournments will require the affirmative vote of a majority of the shares

present in person or by proxy and entitled to vote on the proposal at the session of the Joint Annual Meeting to be adjourned. A shareholder vote may be taken on the proposals in this Proxy Statement prior to any such adjournment if sufficient votes to constitute a quorum have been received.

About the Trustees

The following table provides a complete listing of the Funds' Board of Trustees. Only Messrs. J.C. Donahue, Constantakis, Cunningham, Madden and Walsh, and Ms. Smuts are nominees for election at the Joint Annual Meeting.

Board of Trustees

The Board is responsible for managing the Funds' business affairs and for exercising all the Funds' powers except those reserved for the Shareholders. The following tables give information about each Board member and the senior officers of the Funds. Where required, the tables separately list Board members who are "interested persons" of the Funds (i.e., "Interested" Board members) and those who are not (i.e., "Independent" Board members). Unless otherwise noted, the address of each person listed is Federated Investors Tower, 1001 Liberty Avenue, Pittsburgh, PA 15222. The address of all Independent Board members listed is 5800 Corporate Drive, Pittsburgh, PA 15237-7000; Attention: Mutual Fund Board. As of December 31, 2007, the Federated Fund Complex consisted of 40 investment companies (comprising 148 portfolios). Unless otherwise noted, each Officer is elected annually. Unless otherwise noted, each Board member oversees all portfolios in the Federated Fund Complex and, except with respect to the Funds, serves for an indefinite term.

INTERESTED TRUSTEES BACKGROUND AND COMPENSATION

Name	Principal Occupation(s) for Past Five Years, Other Directorships Held and Previous Position(s)	Aggregate Compensation From Federated Premier Municipal Income Fund (FPMIF) and Federated Premier Intermediate Municipal Income Fund (FPIMIF) (past fiscal year)	Total Compensation From Funds and Federated Fund Complex (calendar year 2007)	Year of Term Expiration
John F. Donahue* Birth Date: July 28, 1924 TRUSTEE	Principal Occupations: Director or Trustee of the Federated Fund Complex; Chairman and Director, Federated Investors, Inc.;	\$0	\$0	2010

Began
serving: December
2002

Chairman of the Federated
Fund Complex's Executive
Committee.

Previous Positions: Chairman
of the Federated Fund
Complex; Trustee, Federated
Investment Management
Company and Chairman and
Director, Federated
Investment Counseling.

<p>J. Christopher Donahue* Birth Date: April 11, 1949 PRESIDENT AND TRUSTEE Began serving: December 2002</p>	<p>Principal Occupations: Principal Executive Officer and President of the Federated Fund Complex; Director or Trustee of some of the Funds in the Federated Fund Complex; President, Chief Executive Officer and Director, Federated Investors, Inc.; Chairman and Trustee, Federated Investment Management Company; Trustee, Federated Investment Counseling; Chairman and Director, Federated Global Investment Management Corp.; Chairman, Federated Equity Management Company of Pennsylvania, and Passport Research, Ltd. (Investment advisory subsidiary of Federated); Trustee, Federated Shareholder Services Company; Director, Federated Services Company.</p>	<p>\$0 \$0</p>	<p>2011+</p>
----------------------------------------------------------------------------------------------------------------------------------------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	----------------	--------------

Previous Positions: President,
Federated Investment
Counseling; President and
Chief Executive Officer,
Federated Investment
Management Company,
Federated Global Investment
Management Corp. and
Passport Research, Ltd.

*Family relationships and reasons for "interested" status: John F. Donahue is the father of J. Christopher Donahue; both are "interested" due to their beneficial ownership of shares of Federated Investors, Inc. and the positions they hold with Federated and its subsidiaries.

+ If elected.

INDEPENDENT TRUSTEES BACKGROUND AND COMPENSATION

Name Birth Date Positions Held with Funds Date Service Began	Principal Occupation(s) for Past Five Years, Other Directorships Held and Previous Position(s)	Aggregate Compensation From Federated Premier Municipal Income Fund (FPMIF) and Federated Premier Intermediate Municipal Income Fund (FPIMIF)	Total Compensation From Funds and Federated Fund Complex (calendar year 2007)	Year of Term Expiration
-----------------------------------------------------------------------------	---------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------------------	-------------------------------

Edgar Filing: FEDERATED PREMIER MUNICIPAL INCOME FUND - Form DEF 14A

		(past fiscal year)		
Thomas G. Bigley	Principal Occupation: Director or Trustee of the Federated Fund Complex.	\$1,185.76 (FPMIF)	\$198,000	2010
Birth Date: February 3, 1934		\$1,197.58 (FPIMIF)		
TRUSTEE	Other Directorships Held: Director, Member of Executive Committee, Children's Hospital of Pittsburgh; Director, University of Pittsburgh.			
Began serving: December 2002	Previous Position: Senior Partner, Ernst & Young LLP.			
John T. Conroy, Jr.	Principal Occupations: Director or Trustee of the Federated Fund Complex; Chairman of the Board, Investment Properties Corporation; Partner or Trustee in private real estate ventures in Southwest Florida; Assistant Professor in Theology at Barry University and Blessed Edmund Rice School for Pastoral Ministry.	\$1,185.76 (FPMIF)	\$198,000	2010
Birth Date: June 23, 1937		\$1,197.58 (FPIMIF)		
TRUSTEE	Previous Positions: President, Investment Properties Corporation; Senior Vice President, John R. Wood and Associates, Inc., Realtors; President, Naples Property Management, Inc. and Northgate Village Development Corporation.			
Began serving: December 2002				
Nicholas P. Constantakis	Principal Occupation: Director or Trustee of the Federated Fund Complex.	\$1,185.76 (FPMIF)	\$198,000	2011+
Birth Date: September 3, 1939		\$1,197.58 (FPIMIF)		
TRUSTEE	Other Directorships Held: Director and Chairman of the Audit Committee, Michael Baker Corporation (engineering and energy services worldwide).			
Began serving: December 2002				

Previous Position: Partner,
Andersen Worldwide SC.

John F. Cunningham Birth Date: March 5, 1943 TRUSTEE Began serving: December 2002	Principal Occupation: Director or Trustee of the Federated Fund Complex. Other Directorships Held: Chairman, President and Chief Executive Officer, Cunningham & Co., Inc. (strategic business consulting); Trustee Associate, Boston College.	\$1,077.96 (FPMIF) \$1,088.71 (FPIMIF)	\$180,000	2011+
--------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-------------------------------------------------	-----------	-------

Previous Positions: Director,
QSGI, Inc. (technology
services company); Director,
Redgate Communications and
EMC Corporation (computer
storage systems); Chairman of
the Board and Chief Executive
Officer, Computer Consoles,
Inc.; President and Chief
Operating Officer, Wang
Laboratories; Director, First
National Bank of Boston;
Director, Apollo Computer,
Inc.

Peter E. Madden Birth Date: March 16, 1942 TRUSTEE Began serving: December 2002	Principal Occupation: Director or Trustee of the Federated Fund Complex.
------------------------------------------------------------------------------------------------	--------------------------------------------------------------------------------