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BLACKROCK MUNIYIELD CALIFORNIA QUALITY FUND, INC.

Form N-CSR

October 03, 2016

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: 811-06692

Name of Fund: BlackRock MuniYield California Quality Fund, Inc. (MCA)

Fund Address: 100 Bellevue Parkway, Wilmington, DE 19809

Name and address of agent for service: John M. Perlowski, Chief Executive Officer, BlackRock MuniYield

California Quality Fund, Inc., 55 East 52nd Street, New York, NY 10055

Registrant's telephone number, including area code: (800) 882-0052, Option 4

Date of fiscal year end: 07/31/2016

Date of reporting period: 07/31/2016

Item 1 Report to Stockholders

ANNUAL REPORT

BlackRock MuniHoldings Quality Fund II, Inc. (MUE)

BlackRock MuniYield California Quality Fund, Inc. (MCA)

BlackRock MuniYield New York Quality Fund, Inc. (MYN)

BlackRock MuniYield Quality Fund III, Inc. (MYI)

Not FDIC Insured May Lose Value No Bank Guarantee

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The Markets in Review

Dear Shareholder,

Uneven economic outlooks and the divergence of monetary policies across regions have been the overarching themes driving financial markets over the past couple of years. In the latter half of 2015, as U.S. growth outpaced other developed markets, investors were focused largely on the timing of the Federal Reserve's (the Fed) decision to end its near-zero interest rate policy. The Fed ultimately hiked rates in December, whereas the European Central Bank and the Bank of Japan took additional steps to stimulate growth, even introducing negative interest rates. The U.S. dollar had strengthened considerably ahead of these developments, causing profit challenges for U.S. companies that generate revenues overseas, and pressuring emerging market currencies and commodities prices.

Also during this time period, oil prices collapsed due to excess global supply. China, one of the world's largest consumers of oil, was another notable source of stress for financial markets as the country showed signs of slowing economic growth and took measures to devalue its currency. Declining confidence in the country's policymakers stoked investors' worries about the potential impact of China's weakness on the global economy. Global market volatility increased and risk assets (such as equities and high yield bonds) suffered in this environment.

The elevated market volatility spilled over into 2016, but as the first quarter wore on, fears of a global recession began to fade, allowing markets to calm and risk assets to rebound. Central bank stimulus in Europe and Japan, combined with a more tempered outlook for rate hikes in the United States, helped bolster financial markets. A softening in U.S. dollar strength brought relief to U.S. exporters and emerging market economies. Oil prices rebounded as the world's largest producers agreed to reduce supply.

Volatility spiked again in late June when the United Kingdom shocked investors with its vote to leave the European Union. Uncertainty around how the British exit might affect the global economy and political landscape drove investors to high-quality assets, pushing already low global yields to even lower levels. But markets recovered swiftly in July as economic data suggested that the negative impact had thus far been contained to the United Kingdom and investors returned to risk assets.

At BlackRock, we believe investors need to think globally, extend their scope across a broad array of asset classes and be prepared to adjust accordingly as market conditions change over time. We encourage you to talk with your financial advisor and visit blackrock.com for further insight about investing in today's markets.

Sincerely,

Rob Kapito

President, BlackRock Advisors, LLC

Rob Kapito

President, BlackRock Advisors, LLC

Total Returns as of July 31, 2016

	6-month	12-month
U.S. large cap equities (S&P 500® Index)	13.29%	5.61%
U.S. small cap equities (Russell 2000® Index)	18.76	0.00
International equities (MSCI Europe, Australasia, Far East Index)	8.25	(7.53)
	19.52	(0.75)

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Emerging market equities (MSCI Emerging Markets Index)		
3-month Treasury bills (BofA Merrill Lynch 3-Month U.S. Treasury Bill Index)	0.17	0.22
U.S. Treasury securities (BofA Merrill Lynch 10-Year U.S. Treasury Index)	5.01	8.53
U.S. investment grade bonds (Barclays U.S. Aggregate Bond Index)	4.54	5.94
Tax-exempt municipal bonds (S&P Municipal Bond Index)	3.27	7.06
U.S. high yield bonds (Barclays U.S. Corporate High Yield 2% Issuer Capped Index)	13.84	5.01

Past performance is no guarantee of future results. Index performance is shown for illustrative purposes only. You cannot invest directly in an index.

THIS PAGE NOT PART OF YOUR FUND REPORT

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Municipal Market Overview

For the Reporting Period Ended July 31, 2016

Municipal Market Conditions

Municipal bonds generated positive performance for the period due to falling interest rates and a favorable supply-and-demand environment. Interest rates were volatile in 2015 (bond prices rise as rates fall) leading up to a long-awaited rate hike from the Fed that ultimately came in December. However, ongoing reassurance from the Fed that rates would be increased gradually and would likely remain low overall resulted in strong demand for fixed income investments. Investors favored the relative yield and stability of municipal bonds amid bouts of volatility resulting from uneven U.S. economic data, volatile oil prices, global growth concerns, geopolitical risks (particularly the U.K.'s decision to leave the European Union), and widening central bank divergence i.e., policy easing outside the United States while the Fed was posturing to commence policy tightening. During the 12 months ended July 31, 2016, municipal bond funds garnered net inflows of approximately \$49 billion (based on data from the Investment Company Institute).

For the same 12-month period, total new issuance remained relatively strong from a historical perspective at \$386 billion (though lower than the \$417 billion issued in the prior 12-month period). A noteworthy portion of new supply during this period was attributable to refinancing activity (roughly 59%) as issuers continued to take advantage of low interest rates and a flatter yield curve to reduce their borrowing costs.

S&P Municipal Bond Index	
Total Returns as of July 31, 2016	
6 months:	3.27%
12 months:	7.06%

A Closer Look at Yields

From July 31, 2015 to July 31, 2016, yields on AAA-rated 30-year municipal bonds decreased by 100 basis points (bps) from 3.12% to 2.12%, while 10-year rates fell by 79 bps from 2.19% to 1.40% and 5-year rates decreased 46 bps from 1.30% to 0.84% (as measured by Thomson Municipal Market Data). The municipal yield curve experienced significant flattening over the 12-month period with the spread between 2- and 30-year maturities flattening by 90 bps and the spread between 2-and 10-year maturities flattening by 69 bps.

During the same time period, on a relative basis, tax-exempt municipal bonds broadly outperformed U.S. Treasuries with the greatest outperformance experienced in longer-term issues. In absolute terms, the positive performance of municipal bonds was driven largely by falling interest rates as well as a supply/demand imbalance within the municipal market as investors sought income and incremental yield in an environment where opportunities became increasingly scarce. More broadly, municipal bonds benefited from the greater appeal of tax-exempt investing in light of the higher tax rates implemented in 2014. The asset class is known for its lower relative volatility and preservation of principal with an emphasis on income as tax rates rise.

Financial Conditions of Municipal Issuers

The majority of municipal credits remain strong, despite well-publicized distress among a few issuers. Four of the five states with the largest amount of debt outstanding California, New York, Texas and Florida have exhibited markedly improved credit fundamentals during the slow national recovery. However, several states with the largest unfunded pension liabilities have seen their bond prices decline noticeably and remain vulnerable to additional price deterioration. On the local level, Chicago's credit quality downgrade is an outlier relative to other cities due to its larger pension liability and inadequate funding remedies. BlackRock maintains the view that municipal bond defaults will remain minimal and in the periphery while the overall market is fundamentally sound. We continue to advocate careful credit research and believe that a thoughtful approach to structure and security selection remains imperative amid uncertainty in a modestly improving economic environment.

The opinions expressed are those of BlackRock as of July 31, 2016, and are subject to change at any time due to changes in market or economic conditions. The comments should not be construed as a recommendation of any individual holdings or market sectors. Investing involves risk including loss of principal. Bond values fluctuate in price so the value of your investment can go down depending on market conditions. Fixed income risks include interest-rate and credit risk. Typically, when interest rates rise, there is a corresponding decline in bond values. Credit risk refers to the possibility that the bond issuer will not be able to make principal and interest payments. There may be less information on the financial condition of municipal issuers than for public corporations. The market for municipal bonds may be less liquid than for taxable bonds. Some investors may be subject to Alternative Minimum Tax (AMT). Capital gains distributions, if any, are taxable.

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The Standard & Poor's Municipal Bond Index, a broad, market value-weighted index, seeks to measure the performance of the US municipal bond market. All bonds in the index are exempt from US federal income taxes or subject to the alternative minimum tax. Past performance is no guarantee of future results. Index performance is shown for illustrative purposes only. It is not possible to invest directly in an index.

The Benefits and Risks of Leveraging

The Funds may utilize leverage to seek to enhance the distribution rate on, and net asset value (NAV) of, their common shares (Common Shares). However, these objectives cannot be achieved in all interest rate environments.

In general, the concept of leveraging is based on the premise that the financing cost of leverage, which is based on short-term interest rates, is normally lower than the income earned by a Fund on its longer-term portfolio investments purchased with the proceeds from leverage. To the extent that the total assets of the Funds (including the assets obtained from leverage) are invested in higher-yielding portfolio investments, the Funds' shareholders benefit from the incremental net income. The interest earned on securities purchased with the proceeds from leverage is paid to shareholders in the form of dividends, and the value of these portfolio holdings is reflected in the per share NAV.

To illustrate these concepts, assume a Fund's Common Shares capitalization is \$100 million and it utilizes leverage for an additional \$30 million, creating a total value of \$130 million available for investment in longer-term income securities. If prevailing short-term interest rates are 3% and longer-term interest rates are 6%, the yield curve has a strongly positive slope. In this case, a Fund's financing costs on the \$30 million of proceeds obtained from leverage are based on the lower short-term interest rates. At the same time, the securities purchased by a Fund with the proceeds from leverage earn income based on longer-term interest rates. In this case, a Fund's financing cost of leverage is significantly lower than the income earned on a Fund's longer-term investments acquired from leverage proceeds, and therefore the holders of Common Shares (Common Shareholders) are the beneficiaries of the incremental net income.

However, in order to benefit Common Shareholders, the return on assets purchased with leverage proceeds must exceed the ongoing costs associated with the leverage. If interest and other costs of leverage exceed the Funds' return on assets purchased with leverage proceeds, income to shareholders is lower than if the Funds had not used leverage. Furthermore, the value of the Funds' portfolio investments generally varies inversely with the direction of long-term interest rates, although other factors can influence the value of portfolio investments. In contrast, the value of the Funds' obligations under their respective leverage arrangements generally does not fluctuate in relation to interest rates. As a result, changes in interest rates can influence the Funds' NAVs positively or negatively. Changes in the future direction of interest rates are very difficult to predict accurately, and there is no assurance that a Fund's intended leveraging strategy will be successful.

The use of leverage also generally causes greater changes in each Fund's NAV, market price and dividend rates than comparable portfolios without leverage. In a declining market, leverage is likely to cause a greater decline in the NAV and market price of a Fund's Common Shares than if the Fund were not leveraged. In addition, each Fund may be required to sell portfolio securities at inopportune times or at distressed values in order to comply with regulatory requirements applicable to the use of leverage or as required by the terms of leverage instruments, which may cause the Funds to incur losses. The use of leverage may limit a Fund's ability to invest in certain types of securities or use certain types of hedging strategies. Each Fund incurs expenses in connection with the use of leverage, all of which are borne by Common Shareholders and may reduce income to the Common Shares. Moreover, to the extent the calculation of the Funds' investment advisory fees includes assets purchased with the proceeds of leverage, the investment advisory fees payable to the Funds' investment adviser will be higher than if the Funds did not use leverage.

To obtain leverage, each Fund has issued Variable Rate Demand Preferred Shares (VRDP Shares) or Variable Rate Muni Term Preferred Shares (VMTP Shares) (collectively, Preferred Shares) and/or leveraged its assets through the use of tender option bond trusts (TOB Trusts) as described in the Notes to Financial Statements.

Under the Investment Company Act of 1940, as amended (the 1940 Act), each Fund is permitted to issue debt up to 33 1/3% of its total managed assets or equity securities (e.g., Preferred Shares) up to 50% of its total managed assets. A Fund may voluntarily elect to limit its leverage to less than the maximum amount permitted under the 1940 Act. In addition, a Fund may also be subject to certain asset coverage, leverage or portfolio composition requirements imposed by the Preferred Shares' governing instruments or by agencies rating the Preferred Shares, which may be more stringent than those imposed by the 1940 Act.

If a Fund segregates or designates on its books and records cash or liquid assets having a value not less than the value of a Fund's obligations under the TOB Trust (including accrued interest), a TOB Trust is not considered a senior security and is not subject to the foregoing limitations and requirements under the 1940 Act.

Derivative Financial Instruments

The Funds may invest in various derivative financial instruments. These instruments are used to obtain exposure to a security, commodity, index, market, and/or other assets without owning or taking physical custody of securities, commodities and/or other referenced assets or to manage market, equity, credit, interest rate, foreign currency exchange rate, commodity and/or other risks. Derivative financial instruments may give rise to a form of economic leverage and involve risk, including the imperfect correlation between the value of a derivative financial instru-

ment and the underlying asset, possible default of the counterparty to the transaction or illiquidity of the instrument. The Funds' successful use of derivative financial instruments depends on the investment adviser's ability to predict pertinent market movements accurately, which cannot be assured. The use of these instruments may result in losses greater than if they had not been used, may limit the amount of appreciation a Fund can realize on an investment and/or may result in lower distributions paid to shareholders. The Funds' investments in these instruments, if any, are discussed in detail in the Notes to Financial Statements.

Fund Summary as of July 31, 2016

BlackRock MuniHoldings Quality Fund II,
Inc.

Fund Overview

BlackRock MuniHoldings Quality Fund II, Inc. s (MUE) (the Fund) investment objective is to provide shareholders with current income exempt from federal income taxes. The Fund seeks to achieve its investment objective by investing primarily in long-term, investment grade municipal obligations exempt from federal income taxes (except that the interest may be subject to the federal alternative minimum tax). Under normal market conditions, the Fund invests at least 80% of its assets in municipal obligations with remaining maturities of one year or more at the time of investment. The Fund may invest directly in such securities or synthetically through the use of derivatives.

No assurance can be given that the Fund s investment objective will be achieved.

Fund Information

Symbol on New York Stock Exchange (NYSE)	MUE
Initial Offering Date	February 26, 1999
Yield on Closing Market Price as of July 31, 2016 (\$14.94) ¹	5.14%
Tax Equivalent Yield ²	9.08%
Current Monthly Distribution per Common Share ³	\$0.0640
Current Annualized Distribution per Common Share ³	\$0.7680
Economic Leverage as of July 31, 2016 ⁴	36%

¹ Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.

² Tax equivalent yield assumes the maximum marginal federal tax rate of 43.4%, which includes the 3.8% Medicare tax. Actual tax rates will vary based on income, exemptions and deductions. Lower taxes will result in lower tax equivalent yields.

³ The distribution rate is not constant and is subject to change.

⁴ Represents VMTP Shares and TOB Trusts as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to VMTP Shares and TOB Trusts, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Fund, please see The Benefits and Risks of Leveraging on page 5.

Performance

Returns for the 12 months ended July 31, 2016 were as follows:

	Returns Based On	
	Market Price	NAV
MUE ^{1,2}	20.55%	10.33%
Lipper General & Insured Municipal Debt Funds (Leveraged) ³	21.89%	11.98%

¹ All returns reflect reinvestment of dividends and/or distributions.

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² The Fund's discount to NAV, which narrowed during the period, accounts for the difference between performance based on price and performance based on NAV.

³ Average return.

The following discussion relates to the Fund's absolute performance based on NAV:

Municipal bonds generated strong performance in the annual period. Municipals were aided by the sharp decline in Treasury yields, which was brought about by the slow global economy and the accommodative policies of the world's central banks. (Bond prices rise as yields fall.) The gains were largely concentrated among intermediate- and longer-term bonds, while shorter-term issues produced much smaller returns. In addition, lower-rated securities generally outpaced their higher-quality counterparts.

The Fund's position in the transportation sector made the largest contribution to returns. The Fund's overall duration exposure also contributed positively given that bond yields declined.

The use of leverage helped augment returns at a time of strong market performance. However, leverage had less of an impact to performance in the second half of the period since the Fed's interest rate increase in December 2015 raised the cost of short-term financing.

The Fund utilized U.S. Treasury futures contracts to manage exposure to a rise in interest rates, which had a slightly negative impact on performance due to the strength in the Treasury market. In addition, the Fund's yield declined during the period as the proceeds from bonds that were called away were reinvested at lower yields.

The views expressed reflect the opinions of BlackRock as of the date of this report and are subject to change based on changes in market, economic or other conditions. These views are not intended to be a forecast of future events and are no guarantee of future results.

**BlackRock MuniHoldings Quality Fund II,
Inc.**

Market Price and Net Asset Value Per Share Summary

	7/31/16	7/31/15	Change	High	Low
Market Price	\$ 14.94	\$ 13.13	13.79%	\$ 15.22	\$ 12.79
Net Asset Value	\$ 15.08	\$ 14.48	4.14%	\$ 15.23	\$ 14.29

Market Price and Net Asset Value History For the Past Five Years

Overview of the Fund's Total Investments*

Sector Allocation

	7/31/16	7/31/15
Transportation	42%	37%
County/City/Special District/School District	21	25
Utilities	14	14
Health	11	11
State	6	7
Education	3	2
Housing	1	1
Tobacco	1	1
Corporate	1	2

For Fund compliance purposes, the Fund's sector classifications refer to one or more of the sector sub-classifications used by one or more widely recognized market indexes or rating group indexes, and/or as defined by the investment adviser. These definitions may not apply for purposes of this report, which may combine such sector sub-classifications for reporting ease.

Credit Quality Allocation¹

	7/31/16	7/31/15
AAA/Aaa	8%	6%
AA/Aa	59	65
A	27	26
BBB/Baa	5	3
N/R	1	²

¹ For financial reporting purposes, credit quality ratings shown above reflect the highest rating assigned by either Standard & Poor's (S&P) or Moody's Investors Service (Moody's) if ratings differ. These rating agencies are independent, nationally recognized statistical rating organizations and are widely used. Investment grade ratings are credit ratings of BBB/Baa or higher. Below investment grade ratings are credit ratings of BB/Ba or lower. Investments designated N/R are not rated by either rating agency. Unrated investments do not necessarily indicate low credit quality. Credit quality ratings are subject to change.

² Represents less than 1% of Fund's total investments.

Call/Maturity Schedule³

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Calendar Year Ended December 31,

2016	2
2017	1%
2018	21
2019	10
2020	3

³ Scheduled maturity dates and/or bonds that are subject to potential calls by issuers over the next five years.

* Excludes short-term securities.

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ANNUAL REPORT

JULY 31, 2016

Fund Summary as of July 31, 2016

BlackRock MuniYield California Quality Fund, Inc.

Fund Overview

BlackRock MuniYield California Quality Fund, Inc.'s (MCA) (the Fund) investment objective is to provide shareholders with as high a level of current income exempt from federal and California income taxes as is consistent with its investment policies and prudent investment management. The Fund seeks to achieve its investment objective by investing at least 80% of its assets in municipal obligations exempt from federal income taxes (except that the interest may be subject to the federal alternative minimum tax) and California income taxes. Under normal market conditions, the Fund invests primarily in long-term municipal obligations that are investment grade quality at the time of investment. The Fund may invest directly in such securities or synthetically through the use of derivatives.

No assurance can be given that the Fund's investment objective will be achieved.

Fund Information

Symbol on NYSE	MCA
Initial Offering Date	October 30, 1992
Yield on Closing Market Price as of July 31, 2016 (\$16.75) ¹	4.66%
Tax Equivalent Yield ²	9.50%
Current Monthly Distribution per Common Share ³	\$0.0650
Current Annualized Distribution per Common Share ³	\$0.7800
Economic Leverage as of July 31, 2016 ⁴	37%

¹ Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.

² Tax equivalent yield assumes the maximum marginal federal and state tax rate of 50.93%, which includes the 3.8% Medicare tax. Actual tax rates will vary based on income, exemptions and deductions. Lower taxes will result in lower tax equivalent yields.

³ The distribution rate is not constant and is subject to change.

⁴ Represents VRDP Shares and TOB Trusts as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to VRDP Shares and TOB Trusts, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Fund, please see The Benefits and Risks of Leveraging on page 5.

Performance

Returns for the 12 months ended July 31, 2016 were as follows:

	Returns Based On	
	Market Price	NAV
MCA ^{1,2}	20.15%	9.84%
Lipper California Municipal Debt Funds ³	22.31%	11.51%

¹ All returns reflect reinvestment of dividends and/or distributions.

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² The Fund's discount to NAV, which narrowed during the period, accounts for the difference between performance based on price and performance based on NAV.

³ Average return.

The following discussion relates to the Fund's absolute performance based on NAV:

Municipal bonds generated strong performance in the annual period. Municipals were aided by the sharp decline in Treasury yields, which was brought about by the slow global economy and the accommodative policies of the world's central banks. (Bond prices rise as yields fall.) The gains were largely concentrated among intermediate- and longer-term bonds, while shorter-term issues produced much smaller returns. In addition, lower-rated securities generally outpaced their higher-quality counterparts.

California municipal bonds outperformed the broader national tax-exempt market as a result of the state's sound financial condition, robust employment growth and rising personal income. California municipals were also boosted by the favorable balance of supply and demand in the market, as the state's high tax burden fueled investors' appetite for tax-exempt investments.

The Fund was helped by its exposure to the long end of the yield curve, where performance was strongest. Leverage helped augment returns in this portion of the portfolio, as well. However, leverage had less of an impact to performance in the second half of the period due to the Fed's interest rate increase in December 2015.

Holdings in AA rated securities, including investments in the school districts, health care and tax-backed (local) sectors, aided performance. Positions in the transportation and utilities sectors were also additive.

The Fund utilized U.S. Treasury futures contracts to manage exposure to a rise in interest rates, which had a slightly negative impact on performance given that the Treasury market finished with positive returns. In addition, the Fund's yield declined during the period as the proceeds from bonds that were called away were reinvested at lower yields.

The views expressed reflect the opinions of BlackRock as of the date of this report and are subject to change based on changes in market, economic or other conditions. These views are not intended to be a forecast of future events and are no guarantee of future results.

Market Price and Net Asset Value Per Share Summary

	7/31/16	7/31/15	Change	High	Low
Market Price	\$ 16.75	\$ 14.71	13.87%	\$ 16.82	\$ 14.53
Net Asset Value	\$ 16.77	\$ 16.11	4.10%	\$ 16.98	\$ 15.91

Market Price and Net Asset Value History For the Past Five Years

Overview of the Fund's Total Investments*

Sector Allocation

	7/31/16	7/31/15
County/City/Special District/School District	41%	39%
Utilities	18	25
Health	14	9
Transportation	13	10
Education	9	12
State	5	5
Corporate		

For Fund compliance purposes, the Fund's sector classifications refer to one or more of the sector sub-classifications used by one or more widely recognized market indexes or rating group indexes, and/or as defined by the investment adviser. These definitions may not apply for purposes of this report, which may combine such sector sub-classifications for reporting ease.

Credit Quality Allocation¹

	7/31/16	7/31/15
AAA/Aaa	15%	12%
AA/Aa	75	77
A	8	11
BBB/Baa	1	
N/R	1	

¹ For financial reporting purposes, credit quality ratings shown above reflect the highest rating assigned by either S&P or Moody's if ratings differ. These rating agencies are independent, nationally recognized statistical rating organizations and are widely used. Investment grade ratings are credit ratings of BBB/Baa or higher. Below investment grade ratings are credit ratings of BB/Ba or lower. Investments designated N/R are not rated by either rating agency. Unrated investments do not necessarily indicate low credit quality. Credit quality ratings are subject to change.

Call/Maturity Schedule²

Calendar Year Ended December 31,

2016	2%
2017	10
2018	8
2019	15
2020	5

² Scheduled maturity dates and/or bonds that are subject to potential calls by issuers over the next five years.

* Excludes short-term securities.

Fund Summary as of July 31, 2016

BlackRock MuniYield New York Quality Fund, Inc.

Fund Overview

BlackRock MuniYield New York Quality Fund, Inc. s (MYN) (the Fund) investment objective is to provide shareholders with as high a level of current income exempt from federal income taxes and New York State and New York City personal income taxes as is consistent with its investment policies and prudent investment management. The Fund seeks to achieve its investment objective by investing at least 80% of its assets in municipal obligations exempt from federal income taxes (except that the interest may be subject to the federal alternative minimum tax) and New York State and New York City personal income taxes. Under normal market conditions, the Fund invests primarily in long-term municipal obligations that are investment grade quality at the time of investment. The Fund may invest directly in such securities or synthetically through the use of derivatives.

No assurance can be given that the Fund s investment objective will be achieved.

Fund Information

Symbol on NYSE	MYN
Initial Offering Date	February 28, 1992
Yield on Closing Market Price as of July 31, 2016 (\$14.40) ¹	4.50%
Tax Equivalent Yield ²	9.11%
Current Monthly Distribution per Common Share ³	\$0.0540
Current Annualized Distribution per Common Share ³	\$0.6480
Economic Leverage as of July 31, 2016 ⁴	38%

¹ Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.

² Tax equivalent yield assumes the maximum marginal federal and state tax rate of 50.59%, which includes the 3.8% Medicare tax. Actual tax rates will vary based on income, exemptions and deductions. Lower taxes will result in lower tax equivalent yields.

³ The distribution rate is not constant and is subject to change.

⁴ Represents VRDP Shares and TOB Trusts as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to VRDP Shares and TOB Trusts, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Fund, please see The Benefits and Risks of Leveraging on page 5.

Performance

Returns for the 12 months ended July 31, 2016 were as follows:

	Returns Based On	
	Market Price	NAV
MYN ^{1,2}	15.60%	12.19%
Lipper New York Municipal Debt Funds ³	20.33%	10.69%

¹ All returns reflect reinvestment of dividends and/or distributions.

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² The Fund's discount to NAV, which narrowed during the period, accounts for the difference between performance based on price and performance based on NAV.

³ Average return.

The following discussion relates to the Fund's absolute performance based on NAV:

Municipal bonds generated strong performance in the annual period. Municipals were aided by the sharp decline in Treasury yields, which was brought about by the slow global economy and the accommodative policies of the world's central banks. (Bond prices rise as yields fall.) The gains were largely concentrated among intermediate- and longer-term bonds, while shorter-term issues produced much smaller returns. New York municipal bonds performed well in the period, as the state's healthy economy, robust overall financial position and general lack of pension-funding issues contributed to strong investor demand.

At a time of falling yields, the Fund's positions in longer-duration and longer-dated bonds generally provided the largest absolute returns. (Duration is a measure of interest-rate sensitivity.) The Fund's positions in the transportation, education, health care, and utilities sectors made positive contributions to performance. The Fund's exposure to lower-coupon and zero-coupon bonds, both of which outperformed, also aided returns.

Lower-rated bonds within the investment grade category outperformed during the period. In addition to offering higher incremental yield, the market segment benefited from a tightening of yield spreads that was fueled in part by investors' elevated appetite for risk. In this environment, the Fund's exposure to these higher-yielding bonds contributed to performance.

Leverage amplifies the effect of interest-rate movements, which was a positive to performance during the past 12 months given that yields declined.

The Fund utilized a mix of U.S. Treasury futures contracts to manage exposure to a rise in interest rates, which had a slightly negative impact on performance at a time in which the Treasury market finished with positive returns.

The views expressed reflect the opinions of BlackRock as of the date of this report and are subject to change based on changes in market, economic or other conditions. These views are not intended to be a forecast of future events and are no guarantee of future results.

BlackRock MuniYield New York Quality Fund, Inc.

Market Price and Net Asset Value Per Share Summary

	7/31/16	7/31/15	Change	High	Low
Market Price	\$14.40	\$13.13	9.67%	\$14.70	\$12.79
Net Asset Value	\$15.07	\$14.16	6.43%	\$15.28	\$14.00

Market Price and Net Asset Value History For the Past Five Years

Overview of the Fund's Total Investments*

Sector Allocation

	7/31/16	7/31/15
County/City/Special District/School District	25%	20%
Transportation	20	21
Education	18	18
Utilities	13	15
State	13	14
Health	6	6
Housing	3	3
Corporate	1	2
Tobacco	1	1

For Fund compliance purposes, the Fund's sector classifications refer to one or more of the sector sub-classifications used by one or more widely recognized market indexes or rating group indexes, and/or as defined by the investment adviser. These definitions may not apply for purposes of this report, which may combine such sector sub-classifications for reporting ease.

Credit Quality Allocation¹

	7/31/16	7/31/15
AAA/Aaa	19%	15%
AA/Aa	59	59
A	16	20
BBB/Baa	4	3
BB/Ba		1
N/R ²	2	2

¹ For financial reporting purposes, credit quality ratings shown above reflect the highest rating assigned by either S&P or Moody's if ratings differ. These rating agencies are independent, nationally recognized statistical rating organizations and are widely used. Investment grade ratings are credit ratings of BBB/Baa or higher. Below investment grade ratings are credit ratings of BB/Ba or lower. Investments designated N/R are not rated by either rating agency. Unrated investments do not necessarily indicate low credit quality. Credit quality ratings are subject to change.

² The investment advisor evaluates the credit quality of not-rated investments based upon certain factors including, but not limited to, credit ratings for similar investments and financial analysis of sectors and individual investments. Using this approach, the investment advisor has deemed certain of these unrated securities as investment grade quality. As of July 31, 2016, and July 31, 2015 the market value of unrated securities deemed by the investment advisor to be investment grade represents less than 1% of the Fund's total investments.

Call/Maturity Schedule³

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Calendar Year Ended December 31,

2016	4%
2017	8
2018	5
2019	4
2020	4

³ Scheduled maturity dates and/or bonds that are subject to potential calls by issuers over the next five years.

* Excludes short-term securities.

Fund Summary as of July 31, 2016

BlackRock MuniYield Quality Fund III, Inc.

Fund Overview

BlackRock MuniYield Quality Fund III, Inc.'s (MYI) (the Fund) investment objective is to provide shareholders with as high a level of current income exempt from federal income taxes as is consistent with its investment policies and prudent investment management. The Fund seeks to achieve its investment objective by investing at least 80% of its assets in municipal obligations exempt from federal income taxes (except that the interest may be subject to the federal alternative minimum tax). Under normal market conditions, the Fund invests primarily in long-term municipal obligations that are investment grade quality at the time of investment. The Fund may invest directly in such securities or synthetically through the use of derivatives.

No assurance can be given that the Fund's investment objective will be achieved.

Fund Information

Symbol on NYSE	MYI
Initial Offering Date	March 27, 1992
Yield on Closing Market Price as of July 31, 2016 (\$15.63) ¹	5.22%
Tax Equivalent Yield ²	9.22%
Current Monthly Distribution per Common Share ³	\$0.0680
Current Annualized Distribution per Common Share ³	\$0.8160
Economic Leverage as of July 31, 2016 ⁴	37%

¹ Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.

² Tax equivalent yield assumes the maximum marginal federal tax rate of 43.4%, which includes the 3.8% Medicare tax. Actual tax rates will vary based on income, exemptions and deductions. Lower taxes will result in lower tax equivalent yields.

³ The distribution rate is not constant and is subject to change.

⁴ Represents VRDP Shares and TOB Trusts as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to VRDP Shares and TOB Trusts, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Fund, please see The Benefits and Risks of Leveraging on page 5.

Performance

Returns for the 12 months ended July 31, 2016 were as follows:

	Returns Based On	
	Market Price	NAV
MYI ^{1,2}	18.07%	11.08%
Lipper General & Insured Municipal Debt Funds (Leveraged) ³	21.89%	11.98%

¹ All returns reflect reinvestment of dividends and/or distributions.

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² The Fund moved from a discount to NAV to a premium during the period, which accounts for the difference between performance based on price and performance based on NAV.

³ Average return.

The following discussion relates to the Fund's absolute performance based on NAV:

Municipal bonds generated strong performance in the annual period. Municipals were aided by the sharp decline in Treasury yields, which was brought about by the slow global economy and the accommodative policies of the world's central banks. (Bond prices rise as yields fall.) The gains were largely concentrated among intermediate- and longer-term bonds, while shorter-term issues produced much smaller returns. In addition, lower-rated securities generally outpaced their higher-quality counterparts.

The Fund's duration exposure made the largest contribution to absolute performance. (Duration is a measure of interest-rate sensitivity.) The municipal yield curve flattened aggressively in the second half of the reporting period, indicating outperformance for longer-term bonds. In this environment, the Fund's exposure to the long end of the curve benefited performance. Additionally, the Fund's return was helped by its allocation to the health care and transportation sectors. The use of leverage helped augment returns at a time of strong market performance.

The Fund utilized U.S. Treasury futures contracts to manage exposure to a rise in interest rates, which had a slightly negative impact on performance due to the strength in the Treasury market.

The views expressed reflect the opinions of BlackRock as of the date of this report and are subject to change based on changes in market, economic or other conditions. These views are not intended to be a forecast of future events and are no guarantee of future results.

Market Price and Net Asset Value Per Share Summary

	7/31/16	7/31/15	Change	High	Low
Market Price	\$ 15.63	\$ 14.04	11.32%	\$ 15.88	\$ 13.71
Net Asset Value	\$ 15.49	\$ 14.79	4.73%	\$ 15.71	\$ 14.53

Market Price and Net Asset Value History For the Past Five Years

Overview of the Fund's Total Investments*

Sector Allocation

	7/31/16	7/31/15
Transportation	26%	24%
Utilities	17	16
State	16	17
County/City/Special District/School District	15	18
Health	12	11
Education	9	9
Corporate	2	2
Housing	2	2
Tobacco	1	1

For Fund compliance purposes, the Fund's sector classifications refer to one or more of the sector sub-classifications used by one or more widely recognized market indexes or rating group indexes, and/or as defined by the investment adviser. These definitions may not apply for purposes of this report, which may combine such sector sub-classifications for reporting ease.

Credit Quality Allocation¹

	7/31/16	7/31/15
AAA/Aaa	11%	9%
AA/Aa	61	65
A	20	20
BBB/Baa	7	6
N/R	1	

¹ For financial reporting purposes, credit quality ratings shown above reflect the highest rating assigned by either S&P or Moody's if ratings differ. These rating agencies are independent, nationally recognized statistical rating organizations and are widely used. Investment grade ratings are credit ratings of BBB/Baa or higher. Below investment grade ratings are credit ratings of BB/Ba or lower. Investments designated N/R are not rated by either rating agency. Unrated investments do not necessarily indicate low credit quality. Credit quality ratings are subject to change.

Call/Maturity Schedule²

Calendar Year Ended December 31,

2016	1%
2017	11
2018	17
2019	9
2020	2

² Scheduled maturity dates and/or bonds that are subject to potential calls by issuers over the next five years.

* Excludes short-term securities.

Schedule of Investments July 31, 2016

BlackRock MuniHoldings Quality Fund II, Inc. (MUE)

(Percentages shown are based on Net Assets)

	Par	
	(000)	Value
Municipal Bonds		
Alabama 2.1%		
City of Birmingham Alabama Special Care Facilities Financing Authority, RB, Children s Hospital (AGC), 6.00%, 6/01/19 (a)	\$ 5,225	\$ 5,988,686
City of Selma Alabama IDB, RB, Gulf Opportunity Zone, International Paper Co. Project, Series A, 5.38%, 12/01/35	940	1,055,751
		7,044,437
California 24.3%		
California Educational Facilities Authority, RB, University of Southern California, Series A, 5.25%, 10/01/38	5,050	5,537,830
California Health Facilities Financing Authority, RB, Sutter Health, Series B, 6.00%, 8/15/42	2,865	3,427,629
City & County of San Francisco California Airports Commission, ARB, Special Facility Lease, SFO Fuel, Series A, AMT (AGM), 6.10%, 1/01/20	880	884,074
City & County of San Francisco California Airports Commission, Refunding ARB, AMT, Series A:		
2nd, 5.50%, 5/01/28	1,800	2,204,712
2nd, 5.25%, 5/01/33	1,410	1,671,738
5.00%, 5/01/44	1,860	2,167,365
City of San Jose California, Refunding ARB, Series A-1, AMT, 5.50%, 3/01/30	4,045	4,744,866
City of Sunnyvale California, Refunding RB, 5.25%, 4/01/40	2,800	3,208,604
County of Sacramento California, ARB, Senior Series A (AGC), 5.50%, 7/01/41	3,500	3,814,930
County of Ventura California Community College District, GO, Election of 2002, Series C, 5.50%, 8/01/18 (a)	3,175	3,489,261
Emery Unified School District, GO, Election of 2010, Series A (AGM), 5.50%, 8/01/35	1,875	2,261,175
Golden Empire Schools Financing Authority, Refunding RB, Kern High School District Projects, 0.96%, 5/01/17 (b)	2,850	2,849,202
Kern Community College District, GO, Safety, Repair & Improvement, Series C, 5.50%, 11/01/33	2,445	3,089,942
Los Angeles Community College District California, GO:		
Election of 2001, Series A (NPFGC), 5.00%, 8/01/17 (a)	4,000	4,182,720
Election of 2008, Series C, 5.25%, 8/01/39	2,000	2,336,860
Oceanside Unified School District, GO, Series A (AGC), 5.25%, 8/01/33	1,675	1,816,605
Redondo Beach Unified School District, GO, Election of 2008, Series E, 5.50%, 8/01/21 (a)	2,670	3,279,614
Riverside County Public Financing Authority, RB, Capital Facilities Project, 5.25%, 11/01/40	4,500	5,575,455
State of California Public Works Board, LRB, Various Capital Projects, Series I: 5.50%, 11/01/30	5,000	6,315,000
	Par	
	(000)	Value
Municipal Bonds		
California (continued)		
State of California Public Works Board, LRB, Various Capital Projects, Series I (continued): 5.50%, 11/01/31	\$ 3,130	\$ 3,945,866
5.50%, 11/01/33	3,000	3,781,980
State of California Public Works Board, RB, Department of Corrections & Rehabilitation, Series F, 5.25%, 9/01/33	1,260	1,556,566
Township of Washington California Health Care District, GO, Election of 2004, Series B, 5.50%, 8/01/40	940	1,170,460
University of California, Refunding RB, Regents of the University of California Medical Center Pooled Revenue, Series J, 5.25%, 5/15/38	7,580	9,217,053
		82,529,507
Colorado 2.1%		
City & County of Denver Colorado Airport System, ARB, Series A, AMT:		
5.50%, 11/15/28	1,500	1,818,075
5.50%, 11/15/30	565	681,593
5.50%, 11/15/31	675	812,228
Colorado Health Facilities Authority, RB, Hospital, NCMC, Inc. Project, Series B (AGM), 6.00%, 5/15/19 (a)	3,300	3,783,153

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		7,095,049
Florida 20.1%		
City of Jacksonville Florida, Refunding RB, Series A, 5.25%, 10/01/33	405	499,531
County of Broward Florida Airport System, ARB, Series A, AMT, 5.13%, 10/01/38	5,665	6,553,102
County of Broward Florida Airport System Revenue, ARB, Series A, AMT, 5.00%, 10/01/45	1,440	1,695,917
County of Hillsborough Florida Aviation Authority, Refunding ARB, Tampa International Airport, Series A, AMT, 5.50%, 10/01/29	2,995	3,609,873
County of Lee Florida, Refunding ARB, Series A, AMT, 5.38%, 10/01/32	2,500	2,902,300
County of Lee Florida HFA, RB, S/F Housing, Multi-County Program, Series A-2, AMT (Ginnie Mae), 6.00%, 9/01/40	430	439,241
County of Miami-Dade Florida, RB, Seaport:		
Series A, 5.38%, 10/01/33	1,765	2,084,165
Series A, 5.50%, 10/01/42	3,000	3,615,900
Series B, AMT, 6.25%, 10/01/38	800	1,018,120
Series B, AMT, 6.00%, 10/01/42	1,060	1,304,521
County of Miami-Dade Florida, Refunding RB, Water & Sewer System, Series B, 5.25%, 10/01/29	3,130	3,855,816

Portfolio Abbreviations

AGC	Assured Guarantee Corp.	EDA	Economic Development Authority	IDRB	Industrial Development Revenue Bonds
AGM	Assured Guaranty Municipal Corp.	EDC	Economic Development Corp.	ISD	Independent School District
AMBAC	American Municipal Bond Assurance Corp.	ERB	Education Revenue Bonds	LRB	Lease Revenue Bonds
AMT	Alternative Minimum Tax (subject to)	FHA	Federal Housing Administration	M/F	Multi-Family
ARB	Airport Revenue Bonds	GAB	Grant Anticipation Bonds	NPFGC	National Public Finance Guarantee Corp.
BAM	Build America Mutual Assurance Co.	GARB	General Airport Revenue Bonds	PILOT	Payment in Lieu of Taxes
BARB	Building Aid Revenue Bonds	GO	General Obligation Bonds	PSF	Permanent School Fund
BHAC	Berkshire Hathaway Assurance Corp.	GTD	Guaranteed	RB	Revenue Bonds
BOCES	Board of Cooperative Educational Services	HDA	Housing Development Authority	S/F	Single-Family
CAB	Capital Appreciation Bonds	HFA	Housing Finance Agency	SONYMA	State of New York Mortgage Agency
COP	Certificates of Participation	IDA	Industrial Development Authority	Syncora	Syncora Guarantee
DFA	Development Finance Agency	IDB	Industrial Development Board		

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniHoldings Quality Fund II, Inc. (MUE)

	Par	
	(000)	Value
Municipal Bonds		
Florida (continued)		
County of Miami-Dade Florida Aviation, Refunding ARB, AMT, Series A:		
Miami International Airport (AGM), 5.25%, 10/01/41	\$ 4,610	\$ 4,974,144
Miami International Airport (AGM), 5.50%, 10/01/41	4,180	4,557,788
5.00%, 10/01/32	5,000	5,844,600
County of Miami-Dade Florida Aviation Revenue, Refunding ARB, Series A, AMT, 5.00%, 10/01/31	5,155	6,025,782
County of Orange Florida School Board, COP, Series A (AGC), 5.50%, 8/01/19 (a)	7,600	8,683,456
Reedy Creek Improvement District, GO, Series A, 5.25%, 6/01/32	1,805	2,192,317
Tohopekaliga Water Authority, Refunding RB, Series A, 5.25%, 10/01/21 (a)	6,965	8,465,122
		68,321,695
Hawaii 1.7%		
State of Hawaii, Department of Transportation, COP, AMT:		
5.25%, 8/01/25	740	897,835
5.25%, 8/01/26	1,205	1,460,339
State of Hawaii, Department of Transportation, RB, Series A, AMT, 5.00%, 7/01/45	2,805	3,291,583
		5,649,757
Illinois 17.0%		
City of Chicago Illinois, GARB, O Hare International Airport, 3rd Lien, Series A, 5.75%, 1/01/39	2,000	2,344,560
City of Chicago Illinois Midway International Airport, Refunding GARB, 2nd Lien, Series A:		
5.00%, 1/01/41	1,140	1,303,716
AMT, 5.50%, 1/01/28	1,000	1,211,280
AMT, 5.50%, 1/01/29	1,500	1,809,885
AMT, 5.38%, 1/01/33	2,000	2,354,100
City of Chicago Illinois O Hare International Airport, GARB, 3rd Lien, Series C, 6.50%, 1/01/41	9,085	11,056,263
City of Chicago Illinois Transit Authority, RB:		
Federal Transit Administration, Section 5309, Series A (AGC), 6.00%, 12/01/18 (a)	3,400	3,821,804
Sales Tax Receipts, 5.25%, 12/01/36	2,940	3,276,248
Sales Tax Receipts, 5.25%, 12/01/40	1,500	1,666,080
City of Chicago Illinois Wastewater Transmission, RB, 2nd Lien, 5.00%, 1/01/42	2,985	3,287,918
County of Cook Illinois Community College District No. 508, GO, City College of Chicago:		
5.25%, 12/01/30	1,270	1,485,176
5.50%, 12/01/38	1,980	2,308,066
5.25%, 12/01/43	5,500	6,305,585
Illinois Finance Authority, Refunding RB, Presence Health Network, Series C (c):		
4.00%, 2/15/41	2,020	2,025,151
5.00%, 2/15/41	975	1,110,827
Railsplitter Tobacco Settlement Authority, RB:		
5.50%, 6/01/23	2,350	2,768,183
6.00%, 6/01/28	670	803,437
State of Illinois, GO:		
5.25%, 2/01/31	1,495	1,663,247
5.25%, 2/01/32	2,320	2,577,868
5.50%, 7/01/33	1,000	1,124,590
5.50%, 7/01/38	700	779,919
State of Illinois, RB, Build Illinois, Series B, 5.25%, 6/15/28	2,500	2,768,825
		57,852,728
	Par	
	(000)	Value
Municipal Bonds		
Indiana 0.9%		
Indiana Finance Authority, RB, Private Activity Bond, Ohio River Bridges, Series A, AMT,		
5.00%, 7/01/40	\$ 460	\$ 521,723
Indianapolis Local Public Improvement Bond Bank, Refunding RB, Waterworks Project, Series A (AGC), 5.50%, 1/01/38	2,370	2,648,830

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		3,170,553
Kentucky 0.7%		
County of Louisville & Jefferson Kentucky Metropolitan Government, Refunding RB, Norton Healthcare, Inc., 4.00%, 10/01/35	2,100	2,313,234
Louisiana 1.5%		
Lake Charles Harbor & Terminal District, RB, Series B, AMT (AGM), 5.50%, 1/01/29	2,225	2,716,725
Tobacco Settlement Financing Corp., Refunding RB, Asset-Backed, Series A, 5.50%, 5/15/29	2,020	2,227,111
		4,943,836
Massachusetts 0.7%		
Massachusetts DFA, Refunding RB, Emmanuel College Issue, Series A, 4.00%, 10/01/46	900	946,872
Massachusetts HFA, Refunding RB, Series C, AMT, 5.35%, 12/01/42	1,235	1,310,570
		2,257,442
Michigan 2.2%		
Hudsonville Public Schools, GO, School Building & Site (Q-SBLF), 5.25%, 5/01/41	3,420	3,987,070
Royal Oak Hospital Finance Authority Michigan, Refunding RB, William Beaumont Hospital, Series V, 8.25%, 9/01/18 (a)	3,115	3,609,600
		7,596,670
Minnesota 0.7%		
City of Minneapolis Minnesota, Refunding RB, Fairview Health Services, Series B (AGC):		
6.50%, 11/15/18 (a)	305	345,696
6.50%, 11/15/38	1,670	1,868,930
		2,214,626
Mississippi 1.3%		
Mississippi Development Bank, RB, Jackson Water & Sewer System Project (AGM), 6.88%, 12/01/40	2,405	3,263,176
Mississippi State University Educational Building Corp., Refunding RB, Mississippi State University Improvement Project, 5.25%, 8/01/38	1,000	1,222,440
		4,485,616
Nevada 2.6%		
County of Clark Nevada, ARB, Las Vegas-McCarran International Airport, Series A (AGM), 5.25%, 7/01/39	3,210	3,608,907
County of Clark Nevada, GO, Limited Tax, 5.00%, 6/01/38	5,000	5,368,450
		8,977,357
New Jersey 5.2%		
New Jersey EDA, RB, Goethals Bridge Replacement Project, Private Activity Bond, AMT:		
5.38%, 1/01/43	1,940	2,257,112
(AGM), 5.00%, 1/01/31	1,355	1,580,160
New Jersey Health Care Facilities Financing Authority, RB, Virtua Health, Series A (AGC), 5.50%, 7/01/38	3,400	3,825,884
New Jersey Transportation Trust Fund Authority, RB, Transportation System: Series A, 5.50%, 6/15/41	3,030	3,378,511

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniHoldings Quality Fund II, Inc. (MUE)

	Par	
	(000)	Value
Municipal Bonds		
New Jersey (continued)		
New Jersey Transportation Trust Fund Authority, RB, Transportation System (continued):		
Series A (AGC), 5.63%, 12/15/28	\$ 2,930	\$ 3,264,635
Series AA, 5.50%, 6/15/39	3,040	3,440,399
		17,746,701
New York 7.7%		
City of New York New York Municipal Water Finance Authority, Refunding RB, 2nd General Resolution, Series EE:		
Fiscal 2009, 5.25%, 6/15/40	6,930	7,794,795
Water & Sewer System, 5.38%, 6/15/43	2,220	2,626,060
Hudson Yards Infrastructure Corp., RB, Series A, 5.75%, 2/15/47	940	1,111,456
Metropolitan Transportation Authority, RB:		
Series A, 5.25%, 11/15/38	8,500	10,190,650
Series A-1, 5.25%, 11/15/39	1,550	1,898,533
Port Authority of New York & New Jersey, Refunding ARB, Consolidated, 166th Series, 5.25%, 7/15/36	2,000	2,349,720
		25,971,214
Ohio 0.9%		
State of Ohio Turnpike Commission, RB, Junior Lien, Infrastructure Projects, Series A-1, 5.25%, 2/15/31	2,500	3,052,650
Pennsylvania 3.7%		
County of Westmoreland Pennsylvania Municipal Authority, Refunding RB, (BAM), 5.00%, 8/15/38 (c)		
	1,965	2,332,593
Pennsylvania Turnpike Commission, RB:		
Series A-1, 5.00%, 12/01/46	2,855	3,399,905
Series B, 5.00%, 12/01/45	2,300	2,742,382
Township of Bristol Pennsylvania School District, GO:		
5.25%, 6/01/37	2,500	2,943,375
5.25%, 6/01/43	1,100	1,295,085
		12,713,340
Rhode Island 0.4%		
Rhode Island Health & Educational Building Corp., Refunding RB, Hospital Financing, LifeSpan Obligation Group (c):		
4.00%, 5/15/36	340	362,341
5.00%, 5/15/39	750	880,238
		1,242,579
South Carolina 6.3%		
County of Charleston South Carolina, RB, Special Source, 5.25%, 12/01/38	3,760	4,633,448
County of Charleston South Carolina Airport District, ARB, Series A, AMT:		
6.00%, 7/01/38	2,940	3,559,076
5.50%, 7/01/41	2,500	2,944,400
South Carolina Ports Authority, RB, AMT, 5.25%, 7/01/50	1,870	2,192,388
South Carolina State Public Service Authority, Refunding RB, Series E, 5.25%, 12/01/55	3,500	4,232,235
State of South Carolina Public Service Authority, Refunding RB:		
Series A, 5.50%, 1/01/19 (a)	200	223,428
Series A, 5.50%, 1/01/19 (a)	2,300	2,569,422
Series C, 5.00%, 12/01/46	1,000	1,182,140
		21,536,537
Tennessee 1.0%		
Metropolitan Nashville Airport Authority, ARB, Series B, AMT, 5.00%, 7/01/40	3,000	3,549,000
	Par	
	(000)	Value

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Texas 19.1%		
City of Beaumont Texas, GO, Certificates of Obligation, 5.25%, 3/01/37	\$ 2,345	\$ 2,837,403
City of Houston Texas Combined Utility System Revenue, Refunding RB, Combined 1st Lien, Series A (AGC):		
6.00%, 5/15/19 (a)	6,345	7,277,778
6.00%, 11/15/35	355	408,222
County of Tarrant Texas Cultural Education Facilities Finance Corp., Refunding RB, Christus Health, Series A (AGC):		
6.50%, 1/01/19 (a)	620	704,605
6.50%, 7/01/37	2,380	2,669,884
Dallas Area Rapid Transit, Refunding RB:		
Senior Lien, 5.25%, 12/01/18 (a)	2,605	2,884,933
Senior Lien, 5.25%, 12/01/38	1,950	2,148,607
Series A, 5.00%, 12/01/48	2,730	3,307,886
Dallas-Fort Worth International Airport, ARB, Joint Improvement, AMT:		
Series A, 5.00%, 11/01/38	1,615	1,812,579
Series H, 5.00%, 11/01/37	1,810	2,059,201
Lower Colorado River Authority, Refunding RB, 5.50%, 5/15/33	2,155	2,638,022
North Texas Tollway Authority, RB, Special Projects, Series A, 5.50%, 9/01/41	7,000	8,364,300
North Texas Tollway Authority, Refunding RB, 1st Tier System:		
(NPFGC), 5.75%, 1/01/18 (a)	4,340	4,656,039
(NPFGC), 5.75%, 1/01/40	1,400	1,491,812
Series A, 5.63%, 1/01/18 (a)	4,895	5,242,790
Series A, 5.63%, 1/01/33	6,080	6,468,877
Series K-2 (AGC), 6.00%, 1/01/19 (a)	1,000	1,127,840
Series S, 5.75%, 1/01/18 (a)	855	917,261
Series S, 5.75%, 1/01/18 (a)	5,835	6,259,905
Series SE, 5.75%, 1/01/40	145	154,830
Red River Education Financing Corp., RB, Texas Christian University Project, 5.25%, 3/15/38	1,070	1,295,920
		64,728,694
Virginia 1.1%		
City of Lexington Virginia IDA, RB, Washington & Lee University, 5.00%, 1/01/43	945	1,103,732
Virginia Public School Authority, RB, Fluvanna County School Financing, 6.50%, 12/01/18 (a)	2,195	2,496,132
		3,599,864
Washington 1.5%		
City of Seattle Washington Municipal Light & Power, Refunding RB, Series A, 5.25%, 2/01/36	2,400	2,807,424
State of Washington, GO, Various Purposes, Series B, 5.25%, 2/01/36	1,865	2,195,012
		5,002,436
Total Municipal Bonds 124.8%		423,595,522
Municipal Bonds Transferred to Tender Option Bond Trusts (d)		
Colorado 3.0%		
Colorado Health Facilities Authority, RB, Catholic Health, Series C-3 (AGM), 5.10%, 4/29/18 (a)	9,410	10,153,484
Connecticut 1.1%		
Connecticut State Health & Educational Facility Authority, Refunding RB, Trinity Health Credit Group, 5.00%, 12/01/45	3,061	3,695,365

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniHoldings Quality Fund II, Inc. (MUE)

	Par	
	(000)	Value
Municipal Bonds Transferred to Tender Option Bond Trusts (d)		
District of Columbia 0.5%		
District of Columbia Water & Sewer Authority, Refunding RB, Senior Lien, Series A, 6.00%, 10/01/18 (a)(e)	\$ 1,699	\$ 1,895,345
Florida 4.1%		
County of Miami-Dade Florida, GO, Building Better Communities Program, Series B-1, 6.00%, 7/01/18 (a)	12,500	13,793,125
Illinois 5.7%		
City of Chicago Illinois, ARB, O Hare International Airport, Series A (AGM), 5.00%, 1/01/38	5,000	5,256,150
City of Chicago Illinois, Refunding RB, Waterworks, 2nd Lien (AGM), 5.25%, 11/01/33	3,967	4,249,758
State of Illinois Toll Highway Authority, RB, Senior: Priority, Series A, 5.00%, 1/01/40	1,980	2,379,273
Series B, 5.00%, 1/01/40	6,148	7,390,756
		19,275,937
Kentucky 0.7%		
Kentucky State Property & Building Commission, Refunding RB, Project No. 93 (AGC), 5.25%, 2/01/27	2,304	2,546,812
Nevada 6.0%		
County of Clark Nevada Water Reclamation District, GO: Limited Tax, 6.00%, 7/01/18 (a)	10,000	11,036,500
Series B, 5.50%, 7/01/29	8,247	9,331,418
		20,367,918
New Jersey 1.7%		
New Jersey Housing & Mortgage Finance Agency, RB, S/F Housing, Series CC, 5.25%, 10/01/29	3,859	4,108,709
New Jersey Transportation Trust Fund Authority, RB, Transportation System, Series B, 5.25%, 6/15/36 (e)	1,500	1,659,590
		5,768,299
New York 7.0%		
City of New York New York Municipal Water Finance Authority, Refunding RB, Water & Sewer System, 2nd General Resolution, Series FF, 5.00%, 6/15/45	5,958	6,991,494
	Par	
Municipal Bonds Transferred to Tender Option Bond Trusts (d)		
New York (continued)		
City of New York New York Transitional Finance Authority, BARB, Fiscal 2009, Series S-3, 5.25%, 1/15/39	\$ 2,300	\$ 2,538,095
New York Liberty Development Corp., RB, 1 World Trade Center Port Authority Consolidated Bonds, 5.25%, 12/15/43	7,515	9,047,274
New York Liberty Development Corp., Refunding RB, 4 World Trade Center Project, 5.75%, 11/15/51 (e)	4,400	5,323,580
		23,900,443
Texas 1.5%		
County of Tarrant Texas Cultural Education Facilities Finance Corp., RB, Baylor Health Care System Project, Series A, 5.00%, 11/15/38	4,296	5,028,055
Utah 0.8%		
City of Riverton Utah, RB, IHC Health Services, Inc., 5.00%, 8/15/41	2,504	2,755,556
Total Municipal Bonds Transferred to Tender Option Bond Trusts 32.1%		109,180,339
Total Long-Term Investments (Cost \$474,409,677) 156.9%		532,775,861
Short-Term Securities		
BlackRock Liquidity Funds, MuniCash, Institutional Class, 0.26% (f)(g)	Shares	
	627,379	627,379

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Total Short-Term Securities		
(Cost \$627,379) 0.2%		627,379
Total Investments (Cost \$475,037,056) 157.1%		533,403,240
Liabilities in Excess of Other Assets (1.5)%		(5,306,711)
Liability for TOB Trust Certificates, Including Interest Expense and Fees Payable (17.0)%		(57,603,522)
VMTP Shares at Liquidation Value (38.6)%		(131,000,000)
Net Assets Applicable to Common Shares 100.0%		\$ 339,493,007

Notes to Schedule of Investments

- (a) U.S. Government securities, held in escrow, are used to pay interest on this security, as well as to retire the bond in full at the date indicated, typically at a premium to par.
- (b) Variable rate security. Rate as of period end.
- (c) When-issued security.
- (d) Represent bonds transferred to a TOB Trust in exchange of cash and residual certificates received by the Fund. These bonds serve as collateral in a secured borrowing. See Note 4 of the Notes to Financial Statements for details.
- (e) All or a portion of security is subject to a recourse agreement. The aggregate maximum potential amount the Fund could ultimately be required to pay under the agreements, which expire between October 1, 2016 to November 15, 2019 is \$4,822,868. See Note 4 of the Notes to Financial Statements for details.
- (f) During the year ended July 31, 2016, investments in issuers considered to be affiliates of the Fund for purposes of Section 2(a)(3) of the 1940 Act, were as follows:

Affiliate	Shares Held at July 31, 2015	Net Activity	Shares Held at July 31, 2016	Value at July 31, 2016	Income
BlackRock Liquidity Funds, MuniCash, Institutional Class		627,379	627,379	\$ 627,379	\$ 2,081
FFI Institutional Tax-Exempt Fund	5,506,208	(5,506,208)			390
Total				\$ 627,379	\$ 2,471

- (g) Current yield as of period end.

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniHoldings Quality Fund II, Inc. (MUE)

Derivative Financial Instruments Outstanding as of Period End

Futures Contracts

Contracts Short	Issue	Expiration	Notional Value	Unrealized Appreciation (Depreciation)
(30)	5-Year U.S. Treasury Note	September 2016	\$ 3,660,469	\$ 3,541
(53)	10-Year U.S. Treasury Note	September 2016	\$ 7,051,484	(14,263)
(18)	Long U.S. Treasury Bond	September 2016	\$ 3,139,875	(33,502)
(3)	Ultra U.S. Treasury Bond	September 2016	\$ 571,594	(16,792)
Total				\$ (61,016)

Derivative Financial Instruments Categorized by Risk Exposure

As of period end, the fair values of derivative financial instruments located in the Statements of Assets and Liabilities were as follows:

Assets	Derivative Financial Instruments	Commodity Contracts	Credit Contracts	Equity Contracts	Foreign Currency Exchange Contracts	Interest Rate Contracts	Other Contracts	Total
Futures contracts	Net unrealized appreciation ¹					\$ 3,541		\$ 3,541
Liabilities	Derivative Financial Instruments							
Futures contracts	Net unrealized depreciation ¹					\$ 64,557		\$ 64,557

¹ Includes cumulative appreciation (depreciation) on futures contracts, if any, as reported in the Schedule of Investments. Only current day's variation margin is reported within the Statements of Assets and Liabilities.

For the year ended July 31, 2016, the effect of derivative financial instruments in the Statements of Operations was as follows:

Net Realized Gain (Loss) from:	Commodity Contracts	Credit Contracts	Equity Contracts	Foreign Currency Exchange Contracts	Interest Rate Contracts	Other Contracts	Total
Futures contracts					\$ (1,033,461)		\$ (1,033,461)
Net Change in Unrealized Appreciation (Depreciation) on:							
Futures contracts					\$ (25,060)		\$ (25,060)

Average Quarterly Balances of Outstanding Derivative Financial Instruments

Futures contracts:

Average notional value of contracts short \$ 13,603,188

For more information about the Fund's investment risks regarding derivative financial instruments, refer to the Notes to Financial Statements.

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Fair Value Hierarchy as of Period End

Various inputs are used in determining the fair value of investments and derivative financial instruments. For information about the Fund's policy regarding valuation of investments and derivative financial instruments, refer to the Notes to Financial Statements.

The following tables summarize the Fund's investments and derivative financial instruments categorized in the disclosure hierarchy:

	Level 1	Level 2	Level 3	Total
Assets:				
Investments:				
Long-Term Investments ¹		\$ 532,775,861		\$ 532,775,861
Short-Term Securities	\$ 627,379			627,379
Total	\$ 627,379	\$ 532,775,861		\$ 533,403,240

Derivative Financial Instruments²

Assets:				
Interest rate contracts	\$ 3,541			\$ 3,541
Liabilities:				
Interest rate contracts	(64,557)			(64,557)
Total	\$ (61,016)			\$ (61,016)

¹ See above Schedule of Investments for values in each state or political subdivision.

² Derivative financial instruments are futures contracts which are valued at the unrealized appreciation (depreciation) on the instrument.

See Notes to Financial Statements.

Schedule of Investments (concluded)

BlackRock MuniHoldings Quality Fund II, Inc. (MUE)

The Fund may hold assets and/or liabilities in which the fair value approximates the carrying amount for financial statement purposes. As of period end, such assets and/or liabilities are categorized within the disclosure hierarchy as follows:

	Level 1	Level 2	Level 3	Total
Assets:				
Cash	\$ 6,004			\$ 6,004
Cash pledged for futures contracts	180,800			180,800
Liabilities:				
TOB Trust Certificates		\$ (57,549,366)		(57,549,366)
VMTP Shares at Liquidation Value		(131,000,000)		(131,000,000)
Total	\$ 186,804	\$ (188,549,366)		\$ (188,362,562)

During the year ended July 31, 2016, there were no transfers between levels.

See Notes to Financial Statements.

Schedule of Investments July 31, 2016

BlackRock MuniYield California Quality Fund, Inc. (MCA)

(Percentages shown are based on Net Assets)

	Par	
	(000)	Value
Municipal Bonds		
California 89.7%		
Corporate 0.5%		
City of Chula Vista California, Refunding RB, San Diego Gas & Electric, Series A, 5.88%, 2/15/34	\$ 2,435	\$ 2,760,730
County/City/Special District/School District 36.8%		
Arcadia Unified School District, GO, Election of 2006, Series A, 5.00%, 8/01/37	7,925	8,097,844
Centinela Valley Union High School District, GO, Refunding, Election of 2008, Series B, 6.00%, 8/01/36	2,250	2,904,279
City & County of San Francisco California, COP, Port Facilities Project, Series C, AMT, 5.25%, 3/01/32	1,050	1,250,371
County of Kern California, COP, Capital Improvements Projects, Series A (AGC), 6.00%, 8/01/35	2,000	2,262,400
County of Los Angeles California Public Works Financing Authority, Refunding RB, Series D: 4.00%, 12/01/40	1,000	1,108,390
5.00%, 12/01/45	4,765	5,813,681
County of Orange California Sanitation District, COP, Series A, 5.00%, 2/01/19 (a)	2,500	2,773,700
County of Orange California Water District, COP, Refunding, 5.25%, 8/15/34	9,045	10,289,592
County of Riverside California Public Financing Authority, RB, Capital Facilities Project, 5.25%, 11/01/45	10,000	12,361,800
County of San Joaquin California Transportation Authority, Refunding RB, Limited Tax, Measure K, Series A, 6.00%, 3/01/36	2,755	3,360,714
Fremont Union High School District, GO, Refunding, 4.00%, 8/01/40	1,150	1,285,067
Garden Grove Unified School District, GO, Election of 2010, Series C, 5.25%, 8/01/37	2,725	3,325,127
Gavilan Joint Community College District, GO, Election of 2004, Series D: 5.50%, 8/01/31	2,165	2,576,112
5.75%, 8/01/35	8,400	10,073,448
Grossmont California Healthcare District, GO, Election of 2006, Series B, 6.13%, 7/15/21 (a)	2,500	3,143,250
Grossmont Union High School District, GO, Election of 2008, Series C, 5.50%, 8/01/33	1,880	2,248,010
Imperial Irrigation District, Series A, Electric System Revenue (a): 5.13%, 11/01/18	4,085	4,500,730
5.13%, 11/01/18	915	1,008,120
Kern Community College District, GO, Safety Repair & Improvements, Series C, 5.25%, 11/01/32	5,715	7,129,577
Los Angeles Municipal Improvement Corp., Refunding LRB, Real Property, Series B (AGC), 5.50%, 4/01/19 (a)	2,075	2,344,418
Merced Union High School District, GO, CAB, Refunding (AGM) (b): 0.00%, 8/01/40	3,125	1,127,469
0.00%, 8/01/42	3,375	1,092,251
Mount San Antonio Community College District, GO, Refunding, Election of 2008, Series 2013 A, 5.00%, 8/01/34	4,500	5,450,400
Ohlone Community College District, GO, Election of 2010, Series A, 5.25%, 8/01/21 (a)	8,140	9,898,973
Orchard School District, GO, Election of 2001, Series A (AGC), 5.00%, 8/01/19 (a)	7,490	8,472,913
Oxnard Union High School District California, GO, Refunding, Series A (NPFGC), 6.20%, 8/01/30	9,645	9,937,436
Perris Union High School District, GO, Election of 2012, Series B, 5.25%, 9/01/39	2,715	3,350,907
	Par	
	(000)	Value
Municipal Bonds		
California (continued)		
County/City/Special District/School District (continued)		
Pittsburg Unified School District, GO, Election of 2006, Series B (AGM): 5.50%, 8/01/34	\$ 2,000	\$ 2,194,980
5.63%, 8/01/18 (a)	4,500	4,956,615
Redlands Unified School District California, GO, Election of 2008 (AGM), 5.25%, 7/01/33	5,000	5,441,150
San Diego Unified School District, GO, CAB, Series C (b): Election of 2008, 0.00%, 7/01/42	2,900	1,250,944
Election of 2008, 0.00%, 7/01/43	1,000	416,490
Election of 2008, 0.00%, 7/01/45	1,300	504,452
0.00%, 7/01/47	830	299,290
San Jose California Financing Authority, LRB, Convention Center Expansion & Renovation Project, Series A:		

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5.75%, 5/01/36	2,570	2,581,411
5.75%, 5/01/42	4,500	5,371,515
San Jose California Financing Authority, Refunding LRB, Civic Center Project, Series A:		
5.00%, 6/01/32	3,375	4,076,595
5.00%, 6/01/39	5,800	6,902,754
San Juan Unified School District, GO, Election of 2002 (AGM), 5.00%, 8/01/34	6,475	7,430,580
San Leandro California Unified School District, GO, Election of 2010, Series A, 5.75%, 8/01/41	3,000	3,608,880
Snowline Joint Unified School District, COP, Refunding, Refining Project (AGC),		
5.75%, 9/01/19 (a)	5,600	6,476,232
Sweetwater Union High School District, GO, Refunding, 4.00%, 8/01/42	2,500	2,784,175
Walnut Valley Unified School District, GO, Election of 2007, Series B, 5.75%, 8/01/21 (a)	7,680	9,527,424
West Contra Costa California Unified School District, GO:		
Election of 2010, Series A (AGM), 5.25%, 8/01/41	6,140	7,323,731
Election of 2010, Series B, 5.50%, 8/01/39	3,000	3,716,370
Election of 2012, Series A, 5.50%, 8/01/39	2,500	3,096,975
Westminster Redevelopment Agency Successor Agency, Refunding RB, Westminster Commercial Redevelopment Project No.1 Subordinate Tax Allocation Bonds, (BAM) (c):		
4.00%, 11/01/34	2,960	3,324,850
4.00%, 11/01/35	3,220	3,601,538
		212,073,930
Education 1.5%		
California Municipal Finance Authority, RB, Emerson College, 6.00%, 1/01/42	2,750	3,318,810
California Statewide Communities Development Authority, Refunding RB, CHF Irvine LLC, 5.00%, 5/15/40	750	907,620
University of California, RB, 5.25%, 5/15/36	3,680	4,578,141
		8,804,571
Health 11.3%		
California Health Facilities Financing Authority, RB:		
Children s Hospital, Series A, 5.25%, 11/01/41	10,000	11,689,600
Providence Health Services, Series B, 5.50%, 10/01/39	4,205	4,802,825
Sutter Health, Series A, 5.25%, 11/15/46	6,970	7,069,950
Sutter Health, Series B, 6.00%, 8/15/42	7,715	9,230,072
California Health Facilities Financing Authority, Refunding RB:		
Catholic Healthcare West, Series A, 6.00%, 7/01/39	5,500	6,298,545

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniYield California Quality Fund, Inc. (MCA)

	Par	
	(000)	Value
Municipal Bonds		
California (continued)		
Health (continued)		
Dignity Health, Series A, 6.00%, 7/01/34	\$ 2,370	\$ 2,719,290
Lucile Salter Packard Children's Hospital at Stanford, Series B, 5.00%, 8/15/55	4,500	5,462,100
California Statewide Communities Development Authority, RB, Sutter Health, Series A, 6.00%, 8/15/42	5,130	6,164,516
California Statewide Communities Development Authority, Refunding RB:		
Catholic Healthcare West, Series D (BHAC), 5.50%, 7/01/31	865	904,210
John Muir Health, Series A, 4.00%, 8/15/46	1,365	1,492,518
John Muir Health, Series A, 4.00%, 8/15/51	3,375	3,661,774
Trinity Health Credit Group Composite Issue, 5.00%, 12/01/41	2,860	3,322,233
Washington Township Health Care District, GO, Election of 2004, Series B, 5.50%, 8/01/38	1,625	2,026,099
		64,843,732
State 7.2%		
State of California, GO, Various Purposes:		
6.00%, 3/01/33	5,500	6,490,495
6.00%, 4/01/38	17,180	19,506,516
6.00%, 11/01/39	3,510	4,081,112
State of California Public Works Board, LRB:		
Department of Education, Riverside Campus Project, Series B, 6.50%, 4/01/34	3,670	4,226,959
Various Capital Projects, Series I, 5.50%, 11/01/33	2,575	3,246,200
Various Capital Projects, Sub-Series I-1, 6.13%, 11/01/29	3,365	3,945,765
		41,497,047
Transportation 17.1%		
Alameda Corridor Transportation Authority, Refunding RB, 2nd Subordinate Lien, Series B:		
5.00%, 10/01/36	2,035	2,473,074
5.00%, 10/01/37	1,395	1,693,907
City & County of San Francisco California Airports Commission, ARB:		
Series E, 6.00%, 5/01/39	9,650	11,034,775
Special Facility Lease, SFO Fuel, Series A, AMT (AGM), 6.10%, 1/01/20	705	708,264
Special Facility Lease, SFO Fuel, Series A, AMT (AGM), 6.13%, 1/01/27	985	989,472
City & County of San Francisco California Airports Commission, Refunding ARB, AMT:		
2nd Series 34E (AGM), 5.75%, 5/01/18 (a)	3,500	3,807,825
2nd Series 34E (AGM), 5.75%, 5/01/24	5,000	5,442,500
2nd Series A, 5.25%, 5/01/33	1,900	2,252,697
Series A, 5.00%, 5/01/39	6,175	7,233,271
Series A, 5.00%, 5/01/40	3,785	4,427,844
City of Los Angeles California Department of Airports, ARB:		
AMT, Series D, 5.00%, 5/15/35	2,000	2,401,220
AMT, Series D, 5.00%, 5/15/36	1,500	1,795,665
Los Angeles International Airport, Sub-Series B, 5.00%, 5/15/40	2,500	2,845,250
City of Los Angeles California Department of Airports, Refunding ARB, Los Angeles International Airport, Senior Series A, 5.25%, 5/15/29	4,760	5,356,000
City of San Jose California, Refunding ARB, Series A-1, AMT, 6.25%, 3/01/34	1,400	1,688,526
County of Orange California, ARB, Series B, 5.75%, 7/01/34	5,000	5,240,950
	Par	
	(000)	Value
Municipal Bonds		
California (continued)		
Transportation (continued)		
County of Sacramento California, ARB:		
Senior Series B, AMT (AGM), 5.25%, 7/01/33	\$ 7,000	\$ 7,575,470
Senior Series B, AMT (AGM), 5.25%, 7/01/39	3,300	3,542,385
County of Sacramento California, ARB (continued):		
Subordinated & Passenger Facility Charges/Grant, Series C (AGC), 5.75%, 7/01/39	5,555	6,081,281
County of San Bernardino California Transportation Authority, RB, Series A, 5.25%, 3/01/40	4,500	5,517,810
	6,350	7,220,775

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County of San Diego California Regional Airport Authority, Refunding ARB, Series B, 5.00%, 7/01/40		
Los Angeles Harbor Department, RB, Series B, 5.25%, 8/01/39	2,760	3,121,174
Port of Los Angeles California Harbor Department, RB, Series B, 5.25%, 8/01/34	5,530	6,253,656
		98,703,791
Utilities 15.3%		
Anaheim Public Financing Authority, RB, Electric System Distribution Facilities, Series A, 5.38%, 10/01/36	5,000	5,910,700
City of Los Angeles California Department of Water & Power, Refunding RB, Series A, 5.25%, 7/01/39	8,000	9,357,440
City of Los Angeles California Wastewater System, Refunding RB, Sub-Series A, 5.00%, 6/01/28	2,000	2,305,160
City of San Francisco California Public Utilities Commission Water Revenue, RB, Sub-Series A, 5.00%, 11/01/37	10,000	11,793,600
City of San Francisco California Public Utilities Commission Water Revenue, Refunding RB, Series A:		
5.25%, 11/01/31	6,280	7,158,384
5.00%, 11/01/36	5,335	6,551,967
County of San Diego California Water Authority, COP, Refunding, Series A (AGM), 5.00%, 5/01/18 (a)	4,895	5,275,292
Dublin-San Ramon Services District Water Revenue, Refunding RB, 6.00%, 8/01/41	4,000	4,786,520
East Bay California Municipal Utility District, Refunding RB, Sub-Series A, 5.00%, 6/01/30	5,000	5,786,650
East Bay California Municipal Utility District Wastewater System Revenue, Refunding RB, Sub-Series A (AMBAC), 5.00%, 6/01/17 (a)	2,500	2,595,550
East Bay California Municipal Utility District Water System Revenue, Refunding RB, Series A (NPFGC), 5.00%, 6/01/17 (a)	3,000	3,114,660
El Dorado Irrigation District / El Dorado County Water Agency, Refunding RB, Series A (AGM), 5.25%, 3/01/39	5,000	6,095,550
Metropolitan Water District of Southern California, RB, Series A, 5.00%, 7/01/37	15,000	15,628,050
San Diego Public Facilities Financing Authority Sewer, Refunding RB, Senior Series A, 5.25%, 5/15/19 (a)	2,000	2,256,280
		88,615,803
Total Municipal Bonds 89.7%		517,299,604

Municipal Bonds Transferred to Tender Option Bond Trusts (d)

California 69.4%		
County/City/Special District/School District 27.7%		
County of San Luis Obispo Community College District, GO, Refunding, Election of 2014, Series A, 4.00%, 8/01/40	6,585	7,320,936

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniYield California Quality Fund, Inc. (MCA)

	Par	
	(000)	Value
Municipal Bonds Transferred to Tender Option Bond Trusts (d) California (continued)		
County/City/Special District/School District (continued)		
County of San Mateo California Community College District, GO, Series A, 5.00%, 9/01/45	\$ 17,615	\$ 21,674,009
Desert Community College District California, GO, Series C (AGM), 5.00%, 8/01/17 (a)	12,150	12,705,012
Los Angeles Community College District California, GO, Series A (a):		
Election of 2001 (AGM), 5.00%, 8/01/17	12,000	12,548,160
Election of 2001 (NPFGC), 5.00%, 8/01/17	26,438	27,645,190
Election of 2003, Series F-1, 5.00%, 8/01/18	12,000	13,063,200
Los Angeles Community College District California, GO, Refunding, Election of 2008, 6.00%, 8/01/19 (a)	9,596	11,128,042
Los Angeles Unified School District California, GO, Series I, 5.00%, 1/01/34	5,000	5,626,250
Palomar California Community College District, GO, Election of 2006, Series C, 5.00%, 8/01/44	15,140	18,516,826
Poway Unified School District, GO, Election of 2002, Improvement District 02, Series 1-B (AGM), 5.00%, 8/01/30	10,000	10,002,600
West Valley-Mission Community College District, GO, Election of 2012, Series B, 4.00%, 8/01/40	17,000	19,383,230
		159,613,455
Education 13.6%		
Los Rios Community College District, GO, Election of 2008, Series A, 5.00%, 8/01/35	11,000	12,660,560
University of California, RB:		
Series AM, 5.25%, 5/15/44	9,210	11,390,099
Series O, 5.75%, 5/15/19 (a)	11,190	12,785,694
University of California, Refunding RB:		
Series A, 5.00%, 11/01/43	13,002	15,998,053
Series I, 5.00%, 5/15/40	21,105	25,692,939
		78,527,345
Health 11.3%		
California Health Facilities Financing Authority, RB, Sutter Health, Series A, 5.00%, 8/15/52	10,000	11,774,800
California Health Facilities Financing Authority, Refunding RB, Sutter Health, Series A, 5.00%, 8/15/43	24,940	30,160,940
California Statewide Communities Development Authority, RB, Kaiser Permanente, Series A, 5.00%, 4/01/42	19,860	23,178,407
		65,114,147
Transportation 3.9%		
City of Los Angeles California Department of Airports, RB, Senior Revenue, Series A, AMT, 5.00%, 5/15/40	5,500	6,536,310
City of Los Angeles California Department of Airports, Series D, AMT, 5.00%, 5/15/41	13,311	15,819,601
		22,355,911
	Par	
	(000)	Value
Municipal Bonds Transferred to Tender Option Bond Trusts (d) California (continued)		
Utilities 12.9%		
Anaheim Public Financing Authority, RB, Refunding, Series A:		
5.00%, 5/01/39	\$ 6,000	\$ 7,267,800
5.00%, 5/01/46	13,500	16,213,095
City & County of San Francisco California Public Utilities Commission, RB, Water Revenue, Series B, 5.00%, 11/01/39	4,380	4,955,532
City of Los Angeles California Department of Water & Power, RB, Power System, Sub-Series A-1 (AMBAC), 5.00%, 7/01/37	5,029	5,223,210
City of Los Angeles California Wastewater System, RB, Green Bonds, Series A, 5.00%, 6/01/44	6,290	7,714,496
County of San Diego California Water Authority Financing Corp., COP, Refunding, Series A (AGM) (a):		
5.00%, 5/01/18	1,412	1,521,577
5.00%, 5/01/18	7,098	7,650,076
	13,525	14,046,508

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Los Angeles Department of Water & Power, RB, Power System, Sub-Series A-1 (AGM),
5.00%, 7/01/37

Rancho Water District Financing Authority, Refunding RB, Series A (AGM), 5.00%, 8/01/34	9,277	10,082,859
		74,675,153
Total Municipal Bonds Transferred to Tender Option Bond Trusts 69.4%		400,286,011
Total Long-Term Investments		
(Cost \$835,737,579) 159.1%		917,585,615

Short-Term Securities	Shares	
BlackRock Liquidity Funds, MuniCash, Institutional Class, 0.26% (e)(f)	143,051	143,051
Total Short-Term Securities		
(Cost \$143,051) 0.0%		143,051
Total Investments (Cost \$835,880,630) 159.1%		917,728,666
Other Assets Less Liabilities 0.3%		1,921,425
Liability for TOB Trust Certificates, Including Interest Expense and Fees Payable (28.9)%		(166,929,565)
Loan for TOB Trust Certificates (1.7)%		(9,740,175)
VRDP Shares at Liquidation Value, Net of Deferred Offering Costs (28.8)%		(166,216,724)
Net Assets Applicable to Common Shares 100.0%		\$ 576,763,627

Notes to Schedule of Investments

- (a) U.S. Government securities, held in escrow, are used to pay interest on this security, as well as to retire the bond in full at the date indicated, typically at a premium to par.
- (b) Zero-coupon bond.
- (c) When-issued security.
- (d) Represent bonds transferred to a TOB Trust in exchange of cash and residual certificates received by the Fund. These bonds serve as collateral in a secured borrowing. See Note 4 of the Notes to Financial Statements for details.

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniYield California Quality Fund, Inc. (MCA)

(e) During the year ended July 31, 2016, investments in issuers considered to be affiliates of the Fund for purposes of Section 2(a)(3) of the 1940 Act, were as follows:

Affiliate	Shares Held at July 31, 2015	Net Activity	Shares Held at July 31, 2016	Value at July 31, 2016	Income
BIF California Municipal Money Fund	12,279,624	(12,279,624)			\$ 2
BlackRock Liquidity Funds, MuniCash, Institutional Class		143,051	143,051	\$ 143,051	859
Total				\$ 143,051	\$ 861

(f) Current yield as of period end.

For Fund compliance purposes, the Fund's sector classifications refer to one or more of the sector sub-classifications used by one or more widely recognized market indexes or rating group indexes, and/or as defined by the investment advisor. These definitions may not apply for purposes of this report, which may combine such sector sub-classifications for reporting ease.

Derivative Financial Instruments Outstanding as of Period End

Futures Contracts

Contracts Short	Issue	Expiration	Notional Value	Unrealized Appreciation (Depreciation)
(57)	5-Year U.S. Treasury Note	September 2016	\$ 6,954,891	\$ (14,662)
(83)	10-Year U.S. Treasury Note	September 2016	\$ 11,042,891	8,240
(46)	Long U.S. Treasury Bond	September 2016	\$ 8,024,125	(90,535)
(13)	Ultra U.S. Treasury Bond	September 2016	\$ 2,476,906	(98,633)
Total				\$ (195,590)

Derivative Financial Instruments Categorized by Risk Exposure

As of period end, the fair values of derivative financial instruments located in the Statements of Assets and Liabilities were as follows:

Assets	Derivative Financial Instruments	Commodity Contracts	Credit Contracts	Equity Contracts	Foreign Currency Exchange Contracts	Interest Rate Contracts	Other Contracts	Total
Futures contracts	Net unrealized appreciation ¹					\$ 8,240		\$ 8,240
Liabilities	Derivative Financial Instruments							
Futures contracts	Net unrealized depreciation ¹					\$ 203,830		\$ 203,830

¹ Includes cumulative appreciation (depreciation) on futures contracts, if any, as reported in the Schedule of Investments. Only current day's variation margin is reported within the Statements of Assets and Liabilities.

For the year ended July 31, 2016, the effect of derivative financial instruments in the Statements of Operations was as follows:

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	Commodity Contracts	Credit Contracts	Equity Contracts	Foreign Currency Exchange Contracts	Interest Rate Contracts	Other Contracts	Total
Net Realized Gain (Loss) from:							
Futures contracts					\$ (1,378,147)		\$ (1,378,147)
Net Change in Unrealized Appreciation (Depreciation) on:							
Futures contracts					\$ (152,476)		\$ (152,476)

Average Quarterly Balances of Outstanding Derivative Financial Instruments

Futures contracts:							
Average notional value of contracts	short						\$ 23,769,986
For more information about the Fund's investment risks regarding derivative financial instruments, refer to the Notes to Financial Statements.							

See Notes to Financial Statements.

Schedule of Investments (concluded)

BlackRock MuniYield California Quality Fund, Inc. (MCA)

Fair Value Hierarchy as of Period End

Various inputs are used in determining the fair value of investments and derivative financial instruments. For information about the Fund's policy regarding valuation of investments and derivative financial instruments, refer to the Notes to Financial Statements.

The following tables summarize the Fund's investments and derivative financial instruments categorized in the disclosure hierarchy:

	Level 1	Level 2	Level 3	Total
Assets:				
Investments:				
Long-Term Investments ¹		\$ 917,585,615		\$ 917,585,615
Short-Term Securities	\$ 143,051			143,051
Total	\$ 143,051	\$ 917,585,615		\$ 917,728,666

Derivative Financial Instruments²

Assets:				
Interest rate contracts	\$ 8,240			\$ 8,240
Liabilities:				
Interest rate contracts	(203,830)			(203,830)
Total	\$ (195,590)			\$ (195,590)

¹ See above Schedule of Investments for values in each sector.

² Derivative financial instruments are futures contracts which are valued at the unrealized appreciation (depreciation) on the instrument.

The Fund may hold assets and/or liabilities in which the fair value approximates the carrying amount for financial statement purposes. As of period end, such assets and/or liabilities are categorized within the disclosure hierarchy as follows:

	Level 1	Level 2	Level 3	Total
Assets:				
Cash pledged for futures contracts	\$ 395,750			\$ 395,750
Liabilities:				
Bank overdraft		\$ (172,826)		(172,826)
TOB Trust Certificates		(166,692,417)		(166,692,417)
Loan for TOB Trust Certificates		(9,740,175)		(9,740,175)
VRDP Shares at Liquidation Value		(166,500,000)		(166,500,000)
Total	\$ 395,750	\$ (343,105,418)		\$ (342,709,668)

During the year ended July 31, 2016, there were no transfers between levels.

See Notes to Financial Statements.

Schedule of Investments July 31, 2016

BlackRock MuniYield New York Quality Fund, Inc. (MYN)

(Percentages shown are based on Net Assets)

	Par (000)	Value
Municipal Bonds		
New York 119.4%		
Corporate 2.0%		
City of New York New York Industrial Development Agency, Refunding RB, Transportation Infrastructure Properties LLC, Series A, AMT, 5.00%, 7/01/28	\$ 930	\$ 1,037,164
County of Onondaga New York Industrial Development Agency, RB, Bristol-Meyers Squibb Co. Project, AMT, 5.75%, 3/01/24	2,500	3,207,750
New York Liberty Development Corp., Refunding RB, Goldman Sachs Headquarters, 5.25%, 10/01/35	5,725	7,702,873
		11,947,787
County/City/Special District/School District 26.0%		
City of New York New York, GO, Refunding:		
Fiscal 2012, Series I, 5.00%, 8/01/32	490	586,378
Fiscal 2014, Series E, 5.00%, 8/01/32	2,040	2,487,352
Series E, 5.50%, 8/01/25	6,230	8,016,826
City of New York New York, GO:		
Series A-1, 5.00%, 8/01/35	1,950	2,298,212
Sub-Series A-1, 5.00%, 8/01/33	2,100	2,551,227
Sub-Series D-1, 5.00%, 10/01/33	8,350	9,885,816
Sub-Series D-1, Fiscal 2014, 5.00%, 8/01/31	1,300	1,588,925
City of New York New York Convention Center Development Corp., Refunding RB, Hotel Unit Fee Secured:		
5.00%, 11/15/40	6,000	7,286,880
4.00%, 11/15/45	965	1,083,512
5.00%, 11/15/45	13,995	16,918,975
City of New York New York Industrial Development Agency, RB, PILOT:		
CAB, Yankee Stadium Project, Series A (AGC), 0.00%, 3/01/39 (a)	5,000	2,375,500
CAB, Yankee Stadium Project, Series A (AGC), 0.00%, 3/01/43 (a)	4,330	1,774,737
Queens Baseball Stadium (AGC), 6.38%, 1/01/39	1,000	1,127,020
Queens Baseball Stadium (AMBAC), 5.00%, 1/01/36	6,400	6,491,008
Queens Baseball Stadium (AMBAC), 5.00%, 1/01/39	1,750	1,773,783
Yankee Stadium Project (NPFGC), 5.00%, 3/01/36	2,250	2,257,898
Yankee Stadium Project (NPFGC), 5.00%, 3/01/46	9,650	9,679,529
City of New York New York Transitional Finance Authority Future Tax Secured, RB:		
Sub-Series A-1, 5.00%, 11/01/38	1,000	1,209,910
Sub-Series B-1, 5.00%, 11/01/35	2,510	3,090,940
Sub-Series B-1, 5.00%, 11/01/36	1,690	2,072,920
Sub-Series B-1, 5.00%, 11/01/38	4,000	4,910,600
Sub-Series E-1, 5.00%, 2/01/30	1,000	1,271,420
City of New York New York Transitional Finance Authority Future Tax Secured, Refunding RB, Series C, 5.00%, 11/01/30	1,470	1,844,012
Counties of Buffalo & Erie New York Industrial Land Development Corp., Refunding RB, Buffalo State College Foundation Housing Corp. Project, Series A, 5.38%, 10/01/41	1,040	1,204,351
County of Erie New York Industrial Development Agency, RB, City School District of Buffalo Project, Series A:		
5.25%, 5/01/31	2,305	2,706,831
5.25%, 5/01/32	1,000	1,172,820
County of Erie New York Industrial Development Agency, Refunding RB:		
5.00%, 5/01/29	4,060	5,098,710
	Par (000)	Value
Municipal Bonds		
New York (continued)		
County/City/Special District/School District (continued)		
County of Erie New York Industrial Development Agency, Refunding RB (continued):		
City School District of Buffalo Project, 5.00%, 5/01/28	\$ 1,000	\$ 1,265,830
County of Nassau New York, GO, Series B, 5.00%, 10/01/30	2,000	2,505,780
Hudson Yards Infrastructure Corp., RB:		
Series A (AGC), 5.00%, 2/15/47	550	562,672
Series A (AGC), 5.00%, 2/15/47	4,300	4,399,072
Series A (AGM), 5.00%, 2/15/47	4,580	4,685,523

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Series A (NPFGC), 4.50%, 2/15/47	14,175	14,454,247
Series A (NPFGC), 5.00%, 2/15/47	4,665	4,770,382
New York Liberty Development Corp., Refunding RB:		
4 World Trade Center Project, 5.00%, 11/15/31	2,570	3,024,684
4 World Trade Center Project, 5.00%, 11/15/44	2,000	2,333,880
4 World Trade Center Project, 5.75%, 11/15/51	3,000	3,629,520
7 World Trade Center Project, Class 1, 4.00%, 9/15/35	1,090	1,213,453
7 World Trade Center Project, Class 2, 5.00%, 9/15/43	4,725	5,426,993
Syracuse New York Industrial Development Agency, RB, PILOT, Carousel Center Project, Series A, AMT (Syncora), 5.00%, 1/01/36	3,400	3,423,528
Town of North Hempstead New York, GO, Refunding, Series B (NPFGC), 6.40%, 4/01/17	555	576,656
		155,038,312

Education 22.3%

Albany Capital Resource Corp., Refunding RB, Albany College of Pharmacy and Health Sciences, Series A:		
5.00%, 12/01/31	250	295,948
5.00%, 12/01/32	100	118,544
Amherst Development Corp., Refunding RB, University at Buffalo Foundation Faculty-Student Housing Corp., Series A (AGM), 4.63%, 10/01/40	2,000	2,172,300
Build New York City Resource Corp., Refunding RB:		
New York Law School Project, 5.00%, 7/01/41	1,065	1,254,943
New York Law School Project, 4.00%, 7/01/45	370	396,396
Series A, 5.00%, 6/01/43	525	626,131
City of Albany New York Capital Resource Corp., Refunding RB, Albany College of Pharmacy and Health Sciences, Series A, 4.00%, 12/01/34	110	120,009
City of New York New York Trust for Cultural Resources, Refunding RB:		
American Museum of Natural History, Series A, 5.00%, 7/01/37	2,265	2,709,189
American Museum of Natural History, Series A, 5.00%, 7/01/41	825	980,207
Carnegie Hall, Series A, 4.75%, 12/01/39	3,550	3,962,119
Carnegie Hall, Series A, 5.00%, 12/01/39	2,150	2,420,147
Museum of Modern Art, Series 1A, 5.00%, 10/01/18 (b)	1,000	1,094,920
Wildlife Conservation Society, Series A, 5.00%, 8/01/42	750	880,860
City of Troy New York Capital Resource Corp., Refunding RB, Rensselaer Polytechnic Institute Project, Series A, 5.13%, 9/01/40	5,740	6,558,868
County of Madison New York Capital Resource Corp., RB, Colgate University Project, Series B:		
5.00%, 7/01/40	815	1,001,904
5.00%, 7/01/43	2,940	3,600,853
County of Monroe New York Industrial Development Corp., RB, University of Rochester Project, Series B, 4.50%, 7/01/35	3,885	4,445,955

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniYield New York Quality Fund, Inc. (MYN)

	Par (000)	Value
Municipal Bonds		
New York (continued)		
Education (continued)		
County of Monroe New York Industrial Development Corp., Refunding RB, University of Rochester Project, Series A:		
5.00%, 7/01/38	\$ 1,440	\$ 1,695,528
4.00%, 7/01/39	500	555,415
County of Onondaga New York, RB, Syracuse University Project:		
5.00%, 12/01/30	1,190	1,403,129
5.00%, 12/01/36	1,150	1,361,152
County of St. Lawrence New York Industrial Development Agency, RB, Clarkson University Project, 5.38%, 9/01/41		
	500	591,705
County of Tompkins New York Development Corp., RB, Ithaca College Project (AGM):		
5.50%, 7/01/33	500	581,995
5.25%, 7/01/36	860	991,898
County of Tompkins New York Industrial Development Agency, RB, Civic Facility Cornell University Project, Series A, 5.00%, 7/01/37		
	675	777,607
State of New York Dormitory Authority, RB:		
Columbia University, Series A-2, 5.00%, 10/01/46	1,250	1,912,800
Convent of the Sacred Heart (AGM), 5.75%, 11/01/40	2,075	2,450,720
Fordham University, Series A, 5.00%, 7/01/28	325	385,145
Fordham University, Series A, 5.50%, 7/01/36	1,550	1,866,804
General Purpose, Series A, 5.00%, 2/15/36	5,500	6,563,205
New School (AGM), 5.50%, 7/01/43	4,050	4,724,568
New York University Mount Sinai School of Medicine, 5.13%, 7/01/19 (b)	665	748,730
New York University, Series I (AMBAC), 5.50%, 7/01/40	4,580	6,617,276
New York University, Series B, 5.00%, 7/01/34	1,000	1,120,610
New York University, Series B, 5.00%, 7/01/37	600	718,194
New York University, Series B, 5.00%, 7/01/42	3,240	3,831,883
New York University, Series C, 5.00%, 7/01/18 (b)	2,000	2,167,120
State University Dormitory Facilities, Series A, 5.00%, 7/01/35	800	921,608
State University Dormitory Facilities, Series A, 5.00%, 7/01/40	2,035	2,328,305
State University Dormitory Facilities, Series A, 5.00%, 7/01/41	1,500	1,745,100
State of New York Dormitory Authority, Refunding RB:		
5.00%, 7/01/46	1,210	1,475,522
3rd General Resolution, State University Educational Facilities Issue, Series A, 5.00%, 5/15/29	1,000	1,199,540
Barnard College, Series A, 5.00%, 7/01/34	1,150	1,401,218
Barnard College, Series A, 4.00%, 7/01/36	530	590,971
Barnard College, Series A, 4.00%, 7/01/37	400	444,332
Barnard College, Series A, 5.00%, 7/01/43	2,500	2,994,800
Cornell University, Series A, 5.00%, 7/01/40	1,000	1,149,520
Fordham University, 5.00%, 7/01/44	2,130	2,523,965
Icahn School of Medicine at Mount Sinai, Series A, 5.00%, 7/01/35	1,600	1,933,728
New York University Mount Sinai School of Medicine (NPFGC), 5.00%, 7/01/17 (b)	6,100	6,351,076
New York University, Series A, 5.00%, 7/01/31	3,955	4,781,437
New York University, Series A, 5.00%, 7/01/37	4,775	5,715,627
Rochester Institute of Technology, 5.00%, 7/01/42	750	875,520
St. John's University, Series A, 5.00%, 7/01/37	2,680	3,198,607
State University Dormitory Facilities, Series A, 5.25%, 7/01/30	4,195	5,179,021
	Par (000)	Value
Municipal Bonds		
New York (continued)		
Education (continued)		
State of New York Dormitory Authority, Refunding RB (continued):		
State University Dormitory Facilities, Series A, 5.25%, 7/01/31	\$ 8,735	\$ 10,694,348
State University Dormitory Facilities, Series A, 5.00%, 7/01/42	1,490	1,739,366
State University Dormitory Facilities, Series B, 5.00%, 7/01/32	500	618,325
State University Dormitory Facilities, Series B, 5.00%, 7/01/33	1,140	1,403,522
		132,970,235
Health 9.6%		
City of New York New York Health & Hospital Corp., Refunding RB, Health System, Series A, 5.00%, 2/15/30		
	2,200	2,470,490

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County of Dutchess New York Industrial Development Agency, RB, Vassar Brothers Medical Center (AGC):		
5.50%, 4/01/34	490	565,534
5.50%, 4/01/30	250	289,963
County of Dutchess New York Local Development Corp., RB, Health Quest Systems, Inc., Series B:		
3.00%, 7/01/36	1,360	1,337,886
4.00%, 7/01/41	2,050	2,233,946
County of Monroe New York Industrial Development Corp., RB, Rochester General Hospital Project, Series A:		
5.00%, 12/01/32	830	960,924
5.00%, 12/01/37	350	400,768
County of Monroe New York Industrial Development Corp., Refunding RB, Unity Hospital of Rochester Project (FHA), 5.50%, 8/15/40	5,650	6,654,174
County of Suffolk New York EDC, RB, Catholic Health Services, Series C, 5.00%, 7/01/32	625	733,225
County of Westchester New York Healthcare Corp., Refunding RB, Senior Lien, Remarketing, Series A, 5.00%, 11/01/30	1,790	2,046,167
State of New York Dormitory Authority, RB:		
Healthcare, Series A, 5.00%, 3/15/38	2,000	2,216,980
Hudson Valley Hospital (BHAC) (FHA), 5.00%, 8/15/36	6,500	6,786,390
New York University Hospitals Center, Series A, 5.75%, 7/01/20 (b)	3,450	4,116,954
New York University Hospitals Center, Series A, 6.00%, 7/01/20 (b)	1,100	1,323,267
North Shore-Long Island Jewish Obligated Group, Series A, 5.50%, 5/01/19 (b)	2,075	2,349,170
North Shore-Long Island Jewish Obligated Group, Series C, 4.25%, 5/01/39	1,000	1,100,000
North Shore-Long Island Jewish Obligated Group, Series D, 4.25%, 5/01/39	300	330,000
State of New York Dormitory Authority, Refunding RB, Series A:		
New York University Hospitals Center, 5.00%, 7/01/17 (b)	1,500	1,561,740
North Shore-Long Island Jewish Obligated Group, 5.00%, 5/01/32	4,000	4,652,160
North Shore-Long Island Jewish Obligated Group, 5.00%, 5/01/32	3,525	4,307,021
North Shore-Long Island Jewish Obligated Group, 5.25%, 5/01/34	9,220	10,814,876
		57,251,635

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniYield New York Quality Fund, Inc. (MYN)

	Par (000)	Value
Municipal Bonds		
New York (continued)		
Housing 4.5%		
City of New York New York Housing Development Corp., RB, M/F Housing:		
Fund Grant Program, New York City Housing Authority Program, Series B1, 5.25%, 7/01/32	\$ 6,865	\$ 8,246,444
Fund Grant Program, New York City Housing Authority Program, Series B1, 5.00%, 7/01/33	1,675	1,967,539
Series A-1-A, AMT, 5.00%, 11/01/30	750	772,058
Series A-1-A, AMT, 5.45%, 11/01/46	1,335	1,369,149
Series C-1-A, Sustainable Neighborhood Bonds, 3.40%, 11/01/47	3,150	3,209,157
Series H-1, AMT, 4.70%, 11/01/40	1,340	1,346,271
Series H-2-A, AMT, 5.20%, 11/01/35	840	865,192
Series H-2-A, AMT, 5.35%, 5/01/41	600	626,856
City of New York New York Housing Development Corp., Refunding RB, M/F Housing, 8 Spruce Street, Class F, 4.50%, 2/15/48	1,230	1,323,566
City of Yonkers New York Industrial Development Agency, RB, Monastery Manor Associates LP Project, AMT (SONYMA), 5.25%, 4/01/37	2,445	2,452,775
County of Monroe New York Industrial Development Agency, IDRB, Southview Towers Project, AMT (SONYMA):		
6.13%, 2/01/20	350	351,330
6.25%, 2/01/31	1,125	1,128,611
State of New York HFA, RB:		
Affordable Housing Revenue Bonds, Series D, 3.20%, 11/01/46	1,460	1,466,482
St. Philip s Housing, Series A, AMT (Fannie Mae), 4.65%, 11/15/38	1,500	1,505,805
		26,631,235
State 12.2%		
City of New York New York Transitional Finance Authority, BARB:		
Fiscal 2008, Series S-1, 4.50%, 1/15/38	1,700	1,786,513
Fiscal 2009, Series S-1 (AGC), 5.50%, 7/15/38	6,000	6,557,700
Fiscal 2009, Series S-4 (AGC), 5.50%, 1/15/33	5,500	6,158,350
Fiscal 2009, Series S-4 (AGC), 5.50%, 1/15/39	1,500	1,679,550
Series S-2 (AGM) (NPFGC), 5.00%, 1/15/37	5,000	5,100,650
Series S-2 (NPFGC), 4.25%, 1/15/34	4,025	4,081,431
City of New York New York Transitional Finance Authority, RB, Series S-1, 5.00%, 7/15/37	2,000	2,409,620
Metropolitan Transportation Authority, RB, Dedicated Tax Fund, Series A (NPFGC), 5.00%, 11/15/16 (b)	1,500	1,520,235
Metropolitan Transportation Authority, Refunding RB, Dedicated Tax Fund:		
Series B, 5.00%, 11/15/34	1,500	1,703,970
Sub-Series B-1, 5.00%, 11/15/31	3,465	4,238,249
Sales Tax Asset Receivable Corp., Refunding RB, Series A, 4.00%, 10/15/32	3,835	4,447,680
State of New York Dormitory Authority, RB:		
General Purpose, Series B, 5.00%, 3/15/37	1,000	1,192,360
General Purpose, Series B, 5.00%, 3/15/42	7,500	8,837,850
Master BOCES Program Lease (AGC), 5.00%, 8/15/28	1,750	1,936,375
School Districts Financing Program, Series C (AGM), 5.00%, 10/01/37	4,050	4,250,110
Series B, 5.00%, 3/15/37	2,000	2,468,220
State Personal Income Tax, Series A, 5.00%, 2/15/43	1,000	1,170,450
	Par (000)	Value
Municipal Bonds		
New York (continued)		
State (continued)		
State of New York Dormitory Authority, RB (continued):		
State Supported Debt, Series A, 5.00%, 3/15/44	\$ 5,550	\$ 6,696,186
State of New York Dormitory Authority, Refunding RB, School Districts Financing Program, Series A (AGM), 5.00%, 10/01/17 (b)	550	578,721
State of New York Thruway Authority, RB:		
2nd General Highway & Bridge Trust, Series B, 5.00%, 10/01/17 (b)	1,500	1,577,325
Transportation, Series A, 5.00%, 3/15/32	1,130	1,365,933
State of New York Urban Development Corp., RB, State Personal Income Tax, Series C, 5.00%, 3/15/32	2,000	2,417,580
State of New York Urban Development Corp., Refunding RB, State Personal Income Tax, Series A, 4.00%, 3/15/37	550	619,190

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		72,794,248
Tobacco 1.1%		
County of Chautauqua New York Tobacco Asset Securitization Corp., Refunding RB, 4.75%, 6/01/39	2,190	2,264,460
County of Niagara New York Tobacco Asset Securitization Corp., Refunding RB, Asset-Backed: 5.25%, 5/15/34	1,650	1,943,898
5.25%, 5/15/40	2,250	2,630,092
		6,838,450
Transportation 26.6%		
Metropolitan Transportation Authority, RB:		
Series A, 5.00%, 11/15/27	1,000	1,176,160
Series A, 5.00%, 11/15/30	1,000	1,224,540
Series A-1, 5.25%, 11/15/33	2,565	3,173,238
Series A-1, 5.25%, 11/15/34	2,840	3,502,515
Series C, 6.50%, 11/15/18 (b)	2,390	2,707,153
Series C, 6.50%, 11/15/28	810	917,609
Series D, 5.25%, 11/15/41	3,450	4,124,475
Series E, 5.00%, 11/15/38	7,785	9,350,953
Series E, 5.00%, 11/15/43	4,000	4,786,600
Series H, 5.00%, 11/15/25	1,000	1,219,360
Series H, 5.00%, 11/15/31	1,690	2,045,120
Sub-Series B, 5.00%, 11/15/25	3,250	4,040,107
Metropolitan Transportation Authority, Refunding RB:		
Green Bonds, Series A-1, 4.00%, 11/15/46	315	348,311
Green Bonds, Series A-1, 5.25%, 11/15/56	3,110	3,808,599
Series C-1, 5.25%, 11/15/56	1,355	1,672,924
Series D, 5.25%, 11/15/29	1,000	1,181,900
New York Liberty Development Corp., RB, 1 World Trade Center Port Authority Consolidated, 5.25%, 12/15/43	3,500	4,213,755
New York Transportation Development Corp., RB, LaGuardia Airport Terminal B Redevelopment Project, Series A, AMT, 5.25%, 1/01/50	12,950	15,000,503
Niagara Falls Bridge Commission, Refunding RB, Toll Bridge System, Series A (AGC), 4.00%, 10/01/19	1,560	1,649,404
Port Authority of New York & New Jersey, ARB:		
Consolidated, 163rd Series, 5.00%, 7/15/35	2,500	2,877,000
Consolidated, 169th Series, 5.00%, 10/15/41	1,000	1,126,090
Consolidated, 183rd Series, 4.00%, 6/15/44	2,350	2,621,942
JFK International Air Terminal LLC, Special Project, Series 6, AMT (NPFGC), 5.75%, 12/01/22	8,160	8,339,602
Port Authority of New York & New Jersey, Refunding ARB: 178th Series, AMT, 5.00%, 12/01/33	1,140	1,348,415

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniYield New York Quality Fund, Inc. (MYN)

	Par (000)	Value
Municipal Bonds		
New York (continued)		
Transportation (continued)		
Port Authority of New York & New Jersey, Refunding ARB (continued):		
179th Series, 5.00%, 12/01/38	\$ 1,390	\$ 1,688,086
Consolidated, 146th Series, AMT (AGM), 4.50%, 12/01/34	6,090	6,149,926
Consolidated, 147th Series, AMT, 4.75%, 4/15/37	2,250	2,294,370
Consolidated, 177th Series, AMT, 4.00%, 1/15/43	735	785,443
Consolidated, 178th Series, AMT, 5.00%, 12/01/43	750	876,630
Consolidated, 186th Series, AMT, 5.00%, 10/15/44	1,000	1,186,950
Consolidated, 189th Series, 5.00%, 5/01/45	2,875	3,489,848
Port Authority of New York & New Jersey, Refunding RB, Series G (AGM), 5.75%, 12/01/25	3,500	3,569,895
State of New York Thruway Authority, RB, Junior Lien, Series A: 4.00%, 1/01/51	1,400	1,528,562
5.25%, 1/01/56	3,880	4,788,618
State of New York Thruway Authority, Refunding RB: 5.00%, 1/01/29	2,225	2,753,593
5.00%, 1/01/31	1,500	1,831,575
General, Series I, 5.00%, 1/01/37	4,750	5,558,592
General, Series I, 5.00%, 1/01/42	3,250	3,783,097
General, Series K, 5.00%, 1/01/32	3,500	4,255,615
Series J, 5.00%, 1/01/41	6,275	7,378,082
Triborough Bridge & Tunnel Authority, RB, Series B: 5.00%, 11/15/40	1,010	1,250,340
5.00%, 11/15/45	1,500	1,837,125
Triborough Bridge & Tunnel Authority, Refunding RB: General, CAB, Series B, 0.00%, 11/15/32 (a)	9,590	6,333,811
General, Series A, 5.00%, 11/15/38	1,000	1,175,930
General, Series A, 5.25%, 11/15/45	1,460	1,824,839
General, Series A, 5.00%, 11/15/50	4,500	5,442,345
Series C, 5.00%, 11/15/38	2,000	2,186,800
Sub-Series A, 5.00%, 11/15/28	2,500	3,051,875
Sub-Series A, 5.00%, 11/15/29	875	1,062,338
		158,540,560
Utilities 15.1%		
City of New York New York Municipal Water Finance Authority, Refunding RB, Water & Sewer System:		
2nd General Resolution, Fiscal 2010, Series FF, 5.00%, 6/15/31	1,500	1,725,105
2nd General Resolution, Fiscal 2011, Series BB, 5.00%, 6/15/31	1,000	1,150,070
2nd General Resolution, Fiscal 2011, Series GG, 5.00%, 6/15/43	1,000	1,166,680
2nd General Resolution, Fiscal 2015, Series HH, 5.00%, 6/15/39	3,000	3,663,180
2nd General Resolution, Series DD, 5.00%, 6/15/32	6,750	7,306,267
Fiscal 2016, Series A, 3.00%, 6/15/36	1,750	1,827,070
Long Island Power Authority, RB, General, Electric Systems, Series A (AGM), 5.00%, 5/01/36	3,775	4,348,574
Long Island Power Authority, Refunding RB, Series A: Electric System, 5.00%, 9/01/34	1,000	1,200,680
Electric Systems (AGC), 5.75%, 4/01/39	1,015	1,142,596
General, Electric Systems (AGC), 6.00%, 5/01/19 (b)	1,500	1,716,435
State of New York Environmental Facilities Corp., RB: 5.00%, 3/15/45	5,145	6,239,805
Series B, Revolving Funds, Green Bonds, 5.00%, 9/15/40	1,195	1,468,201
	Par (000)	Value
Municipal Bonds		
New York (continued)		
Utilities (continued)		
State of New York Environmental Facilities Corp., Refunding RB: 3.00%, 6/15/35		
	\$ 2,985	\$ 3,101,594
4.00%, 6/15/46	1,000	1,132,420
Revolving Funds, New York City Municipal Water, Series B, 5.00%, 6/15/33	1,040	1,124,687
Revolving Funds, New York City Municipal Water, Series B, 5.00%, 6/15/36	2,100	2,477,160
Series A, 5.00%, 6/15/40	4,275	5,278,129

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Series A, 5.00%, 6/15/45	18,920	23,051,371
State of New York Power Authority, Refunding RB, Series A, 5.00%, 11/15/38	4,920	5,828,970
Utility Debt Securitization Authority, Refunding RB, Restructuring: 3.00%, 12/15/32	1,600	1,706,336
Series E, 5.00%, 12/15/41	9,960	12,137,156
Western Nassau County Water Authority, RB, Series A, 5.00%, 4/01/40	1,185	1,420,779
		90,213,265
Total Municipal Bonds in New York		712,225,727
Guam 0.3%		
Utilities 0.3%		
Guam Power Authority, RB, Series A (AGM), 5.00%, 10/01/37	1,380	1,570,247
Puerto Rico 0.8%		
Housing 0.8%		
Puerto Rico Housing Finance Authority, Refunding RB, M/F Housing, Subordinate, Capital Fund Modernization, 5.13%, 12/01/27	4,580	4,927,668
Total Municipal Bonds 120.5%		718,723,642
Municipal Bonds Transferred to Tender Option Bond Trusts (c)		
New York 38.4%		
County/City/Special District/School District 6.3%		
City of New York New York, GO, Refunding, Series E, 5.00%, 8/01/27	1,064	1,193,347
City of New York New York, GO: Sub-Series C-3, 5.75%, 2/15/19 (b)	916	1,027,847
Sub-Series C-3, 5.75%, 8/15/28 (d)	13,484	15,133,273
Sub-Series I-1, 5.00%, 3/01/36	3,500	4,200,385
City of New York New York, Refunding RB, Series E, 5.00%, 8/01/29	2,000	2,557,640
City of New York New York Convention Center Development Corp., Refunding RB, Hotel Unit Fee Secured, 5.00%, 11/15/32	3,500	4,359,565
City of New York New York Transitional Finance Authority, RB, Future Tax Secured, Sub-Series D-1, 5.00%, 11/01/38	4,125	4,883,217
New York Liberty Development Corp., Refunding RB, 7 World Trade Center Project, Class 1, 5.00%, 9/15/40	3,645	4,337,477
		37,692,751
Education 5.7%		
City of New York New York Trust for Cultural Resources, Refunding RB, Wildlife Conservation Society, Series A, 5.00%, 8/01/33	1,981	2,412,786

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniYield New York Quality Fund, Inc. (MYN)

Municipal Bonds Transferred to Tender Option Bond Trusts (c)	Par (000)	Value
New York (continued)		
Education (continued)		
State of New York Dormitory Authority, LRB, State University Dormitory Facilities:		
5.00%, 7/01/35	\$ 5,198	\$ 6,111,822
5.25%, 7/01/19 (b)	6,000	6,795,720
State of New York Dormitory Authority, RB, New York University, Series A (b):		
5.00%, 7/01/18	6,498	7,041,125
(AMBAC), 5.00%, 7/01/17	5,707	5,942,360
State of New York Dormitory Authority, Refunding RB, Series E, 5.25%, 3/15/33	4,500	5,710,230
		34,014,043
State 8.3%		
Hudson Yards Infrastructure Corp., RB, Fiscal 2012, Series A, 5.75%, 2/15/47 (d)		
	9,739	11,515,524
Sales Tax Asset Receivable Corp., Refunding RB, Fiscal 2015, Series A:		
5.00%, 10/15/31	7,995	10,022,692
4.00%, 10/15/32	8,000	9,278,080
State of New York Dormitory Authority, ERB, Series B, 5.75%, 3/15/36	7,850	8,896,170
State of New York Dormitory Authority, RB, Series C:		
General Purpose, 5.00%, 3/15/41	1,650	1,929,131
Mental Health Services Facilities, AMT (AGM), 5.40%, 2/15/33	6,297	6,846,176
State of New York Urban Development Corp., Refunding RB, State Personal Income Tax, Series A, 5.00%, 3/15/45	1,001	1,215,415
		49,703,188
Transportation 12.8%		
New York Liberty Development Corp., RB, 1 World Trade Center Port Authority Consolidated Bonds, 5.25%, 12/15/43		
	17,999	21,670,116
Port Authority of New York & New Jersey, ARB, Consolidated, 169th Series, AMT:		
5.00%, 10/15/25	7,990	9,316,320
5.00%, 10/15/26	6,000	6,957,660
Port Authority of New York & New Jersey, Refunding ARB, 194th Series, 5.25%, 10/15/55	3,900	4,845,906
State of New York Thruway Authority, Refunding RB:		
General, Series H (AGM), 5.00%, 1/01/37	10,000	10,592,700
Transportation, Personal Income Tax, Series A, 5.00%, 3/15/31	3,940	4,710,940
	Par	
Municipal Bonds Transferred to Tender Option Bond Trusts (c)		
	(000)	Value
New York (continued)		
Transportation (continued)		
Triborough Bridge & Tunnel Authority, Refunding RB, Series A, 5.00%, 11/15/46	\$ 15,000	\$ 18,533,100
		76,626,742
Utilities 5.3%		
City of New York New York Municipal Water Finance Authority, RB, Water & Sewer System, Fiscal 2009, Series A:		
5.75%, 6/15/18 (b)	942	1,033,051
5.75%, 6/15/40	3,151	3,454,572
City of New York New York Municipal Water Finance Authority, Refunding RB, Water & Sewer System, 2nd General Resolution:		
Fiscal 2011, Series HH, 5.00%, 6/15/32	9,900	11,678,040
Fiscal 2012, Series BB, 5.00%, 6/15/44	3,991	4,717,551
Series FF-2, 5.50%, 6/15/40	2,760	3,126,528
Utility Debt Securitization Authority, Refunding RB, 5.00%, 12/15/41	5,998	7,309,330
		31,319,072
Total Municipal Bonds Transferred to Tender Option Bond Trusts 38.4%		229,355,796
Total Long-Term Investments (Cost \$855,143,612) 158.9%		948,079,438

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Short-Term Securities	Shares	
BlackRock Liquidity Funds, MuniCash, Institutional Class, 0.26% (e)(f)	1,544,681	1,544,681
Total Short-Term Securities		
(Cost \$1,544,681) 0.3%		1,544,681
Total Investments (Cost \$856,688,293) 159.2%		949,624,119
Other Assets Less Liabilities 1.2%		7,050,939
Liability for TOB Trust Certificates, Including Interest Expense and Fees Payable (18.8)%		(112,216,517)
Loan for TOB Trust Certificates (0.1)%		(607,500)
VRDP Shares at Liquidation Value, Net of Deferred Offering Costs (41.5)%		(247,323,042)
Net Assets Applicable to Common Shares 100.0%		\$ 596,527,999

Notes to Schedule of Investments

- (a) Zero-coupon bond.
- (b) U.S. Government securities, held in escrow, are used to pay interest on this security, as well as to retire the bond in full at the date indicated, typically at a premium to par.
- (c) Represent bonds transferred to a TOB Trust in exchange of cash and residual certificates received by the Fund. These bonds serve as collateral in a secured borrowing. See Note 4 of the Notes to Financial Statements for details.
- (d) All or a portion of security is subject to a recourse agreement. The aggregate maximum potential amount the Fund could ultimately be required to pay under the agreements, which expire between February 15, 2017 to February 15, 2019 is \$12,782,274. See Note 4 of the Notes to Financial Statements for details.
- (e) During the year ended July 31, 2016, investments in issuers considered to be affiliates of the Fund for purposes of Section 2(a)(3) of the 1940 Act, were as follows:

Affiliate	Shares Held at July 31, 2015	Net Activity	Shares Held at July 31, 2016	Value at July 31, 2016	Income
BIF New York Municipal Money Fund	19,904,130	(19,904,130)			\$ 1,420
BlackRock Liquidity Funds, MuniCash, Institutional Class		1,544,681	1,544,681	\$ 1,544,681	3,081
Total				\$ 1,544,681	\$ 4,501

- (f) Current yield as of period end.

For Fund compliance purposes, the Fund's sector classifications refer to one or more of the sector sub-classifications used by one or more widely recognized market indexes or rating group indexes, and/or as defined by the investment advisor. These definitions may not apply for purposes of this report, which may combine such sector sub-classifications for reporting ease.

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniYield New York Quality Fund, Inc. (MYN)

Derivative Financial Instruments Outstanding as of Period End

Futures Contracts

Contracts Short	Issue	Expiration	Notional Value	Unrealized Depreciation
(59)	5-Year U.S. Treasury Note	September 2016	\$ 7,198,922	\$ (1,933)
(162)	10-Year U.S. Treasury Note	September 2016	\$ 21,553,594	(98,654)
(69)	Long U.S. Treasury Bond	September 2016	\$ 12,036,187	(326,573)
(16)	Ultra U.S. Treasury Bond	September 2016	\$ 3,048,500	(82,045)
Total				\$ (509,205)

Derivative Financial Instruments Categorized by Risk Exposure

As of period end, the fair values of derivative financial instruments located in the Statements of Assets and Liabilities were as follows:

Liabilities	Derivative Financial Instruments	Commodity Contracts	Credit Contracts	Equity Contracts	Foreign Currency Exchange Contracts	Interest Rate Contracts	Other Contracts	Total
Futures contracts	Net unrealized depreciation ¹					\$ 509,205		\$ 509,205

¹ Includes cumulative appreciation (depreciation) on futures contracts, if any, as reported in the Schedule of Investments. Only current day's variation margin is reported within the Statements of Assets and Liabilities.

For the year ended July 31, 2016, the effect of derivative financial instruments in the Statements of Operations was as follows:

Net Realized Gain (Loss) from:	Commodity Contracts	Credit Contracts	Equity Contracts	Foreign Currency Exchange Contracts	Interest Rate Contracts	Other Contracts	Total
Futures contracts					\$ (2,176,441)		\$ (2,176,441)
Net Change in Unrealized Appreciation (Depreciation) on:							
Futures contracts					\$ (347,595)		\$ (347,595)

Average Quarterly Balances of Outstanding Derivative Financial Instruments

Futures contracts:

Average notional value of contracts short \$ 31,943,355

For more information about the Fund's investment risks regarding derivative financial instruments, refer to the Notes to Financial Statements.

Fair Value Hierarchy as of Period End

Various inputs are used in determining the fair value of investments and derivative financial instruments. For information about the Fund's policy regarding valuation of investments and derivative financial instruments, refer to the Notes to Financial Statements.

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The following tables summarize the Fund's investments and derivative financial instruments categorized in the disclosure hierarchy:

	Level 1	Level 2	Level 3	Total
Assets:				
Investments:				
Long-Term Investments ¹		\$ 948,079,438		\$ 948,079,438
Short-Term Securities	\$ 1,544,681			1,544,681
Total	\$ 1,544,681	\$ 948,079,438		\$ 949,624,119
Derivative Financial Instruments²				
Liabilities:				
Interest rate contracts		\$ (509,205)		\$ (509,205)

¹ See above Schedule of Investments for values in each sector.

² Derivative financial instruments are futures contracts which are valued at the unrealized appreciation (depreciation) on the instrument.

See Notes to Financial Statements.

Schedule of Investments (concluded)

BlackRock MuniYield New York Quality Fund, Inc. (MYN)

The Fund may hold assets and/or liabilities in which the fair value approximates the carrying amount for financial statement purposes. As of period end, such assets and/or liabilities are categorized within the disclosure hierarchy as follows:

	Level 1	Level 2	Level 3	Total
Assets:				
Cash	\$ 1,720			\$ 1,720
Cash pledged for futures contracts	604,350			604,350
Liabilities:				
TOB Trust Certificates		\$ (112,104,987)		(112,104,987)
Loan for TOB Trust Certificates		(607,500)		(607,500)
VRDP Shares at Liquidation Value		(247,700,000)		(247,700,000)
Total	\$ 606,070	\$ (360,412,487)		\$ (359,806,417)

During the year ended July 31, 2016, there were no transfers between levels.

See Notes to Financial Statements.

Schedule of Investments July 31, 2016

BlackRock MuniYield Quality Fund III, Inc.
(MYI)

(Percentages shown are based on Net Assets)

	Par	
	(000)	Value
Municipal Bonds		
Alabama 0.7%		
City of Birmingham Alabama Special Care Facilities Financing Authority, RB, Children s Hospital (AGC), 6.00%, 6/01/19 (a)	\$ 3,605	\$ 4,131,907
City of Birmingham Alabama, GO, Convertible CAB, Series A1, 0.00%, 3/01/45 (b)	2,920	3,075,198
		7,207,105
Alaska 1.4%		
Alaska Industrial Development & Export Authority, RB, Providence Health Services, Series A, 5.50%, 10/01/41	2,690	3,140,279
Borough of Matanuska-Susitna Alaska, RB, Goose Creek Correctional Center (AGC) (a):		
6.00%, 9/01/19	6,450	7,491,224
6.00%, 9/01/19	3,700	4,297,291
		14,928,794
Arizona 0.7%		
City of Phoenix & County of Maricopa Arizona IDA, Refunding RB, S/F Housing, Series A-2, AMT (Fannie Mae), 5.80%, 7/01/40	120	124,179
Salt River Project Agricultural Improvement & Power District, RB, Series A, 5.00%, 1/01/38	3,500	3,708,460
State of Arizona, COP, Department of Administration, Series A (AGM), 5.00%, 10/01/27	3,075	3,451,657
		7,284,296
California 14.4%		
Alameda Corridor Transportation Authority, Refunding RB, CAB, Subordinate Lien, Series A (AMBAC), 5.40%, 10/01/17 (a)(b)	10,000	10,572,500
Alameda County Joint Powers Authority, Refunding RB, 5.00%, 12/01/34	6,990	7,391,785
California Health Facilities Financing Authority, RB:		
St. Joseph Health System, Series A, 5.75%, 7/01/39	1,550	1,762,458
Sutter Health, Series B, 5.88%, 8/15/31	3,200	3,832,288
California Health Facilities Financing Authority, Refunding RB, St. Joseph Health System, Series A, 5.00%, 7/01/37	2,965	3,524,644
California State University, RB, Systemwide, Series A, 5.50%, 5/01/19 (a)	1,525	1,728,145
California State University, Refunding RB, Series A:		
5.00%, 5/01/17 (a)	1,510	1,561,521
5.00%, 11/01/37	2,035	2,100,914
California Statewide Communities Development Authority, RB:		
Kaiser Permanente, Series A, 5.00%, 4/01/42	4,030	4,703,373
St. Joseph Health System, Series E (AGM), 5.25%, 7/01/47	4,000	4,273,000
City of Redding California, COP, Refunding, Series A (AGM), 5.00%, 6/01/30	1,900	2,035,983
City of San Jose California, Refunding ARB, AMT:		
Series A (AMBAC), 5.50%, 3/01/32	11,965	12,290,927
Series A-1, 5.75%, 3/01/34	2,300	2,723,292
Coast Community College District, GO, Election of 2002, Series C (AGM), 0.00%, 8/01/16 (a)(c)	8,100	3,236,274
County of Orange California Sanitation District, COP, Series B (AGM), 5.00%, 2/01/17 (a)	5,000	5,113,200
County of Sacramento California, ARB, Senior Series A, 5.00%, 7/01/41	10,000	10,768,600
County of San Joaquin California Transportation Authority, Refunding RB, Limited Tax, Measure K, Series A, 6.00%, 3/01/36	1,830	2,232,344
Dublin Unified School District California, GO, CAB, Election of 2004, Series D, 0.00%, 8/01/34 (c)	5,000	1,873,400
	Par	
	(000)	Value
Municipal Bonds		
California (continued)		
Grossmont Union High School District, GO, CAB, Election of 2004, 0.00%, 8/01/31 (c)	\$ 5,110	\$ 3,417,006
Long Beach Unified School District, GO, CAB, Election of 2008, Series B, 0.00%, 8/01/34 (c)	5,000	2,890,200
	1,200	1,254,816

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Los Angeles Community College District California, GO, Election of 2001, Series A (AGM), 5.00%, 8/01/17 (a)		
Mount San Antonio Community College District, GO, Refunding, CAB, Election of 2008, Series A, 0.00%, 8/01/43 (b)	3,975	3,491,799
Norwalk-La Mirada Unified School District, GO, Refunding, CAB, Election of 2002, Series E (AGC), 0.00%, 8/01/38 (c)	7,620	3,589,630
Oceanside Unified School District, GO, Series A (AGC), 5.25%, 8/01/33	2,500	2,711,350
Poway Unified School District, GO, Refunding, CAB, School Facilities Improvement, Election of 2008, Series B (c):		
0.00%, 8/01/35	7,820	4,482,189
0.00%, 8/01/36	10,000	5,468,400
Rio Hondo Community College District California, GO, CAB, Election of 2004, Series C (c):		
0.00%, 8/01/37	8,000	4,253,520
0.00%, 8/01/38	12,940	6,676,264
San Bernardino Community College District, GO, Election of 2002, Series C (AGM), 5.00%, 8/01/16 (a)	2,165	2,165,541
San Diego California Unified School District, GO, CAB, Election of 2008, Series G (c):		
0.00%, 7/01/34	1,860	887,871
0.00%, 7/01/35	1,970	884,333
0.00%, 7/01/36	2,960	1,249,594
0.00%, 7/01/37	1,975	784,944
San Diego California Unified School District, GO, Refunding, CAB, Series R-1, 0.00%, 7/01/31 (c)	3,485	2,298,079
San Marcos Unified School District, GO, Election of 2010, Series A:		
5.00%, 8/01/34	1,800	2,109,042
5.00%, 8/01/38	1,600	1,870,480
State of California, GO, Refunding, Various Purposes:		
5.00%, 9/01/41	2,700	3,172,878
5.00%, 10/01/41	2,555	3,037,614
State of California, GO, Series 2007-2 (NPFGC), 5.50%, 4/01/30	10	10,041
State of California Public Works Board, LRB, Various Capital Projects, Series I, 5.00%, 11/01/38	5,040	6,071,386
Walnut Valley Unified School District, GO, CAB, Election of 2007, Series B, 0.00%, 8/01/36 (c)	6,545	3,482,398
West Valley-Mission Community College District, GO:		
5.00%, 8/01/16 (a)	3,025	3,025,786
5.00%, 8/01/30	575	577,173
		151,586,982
Colorado 0.6%		
Regional Transportation District, COP, Series A, 5.00%, 6/01/39	5,655	6,612,052
Florida 12.5%		
City of Tallahassee Florida Energy System Revenue, RB, (NPFGC), 5.00%, 10/01/32	3,300	3,463,845
County of Brevard Florida Health Facilities Authority, Refunding RB, Health First, Inc. Project, 5.00%, 4/01/39	4,535	5,332,298
County of Broward Florida School Board, COP, Series A (AGM), 5.25%, 7/01/18 (a)	13,100	14,254,503
County of Broward Florida Water & Sewer Utility, Refunding RB, Series A, 5.25%, 10/01/18 (a)	2,250	2,473,110

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniYield Quality Fund III, Inc. (MYI)

	Par	
	(000)	Value
Municipal Bonds		
Florida (continued)		
County of Highlands Florida Health Facilities Authority, RB, Adventist Health System/Sunbelt, Series B, 6.00%, 11/15/37	\$ 1,750	\$ 2,017,523
County of Lee Florida, Refunding ARB, Series A, AMT: 5.63%, 10/01/26	2,600	3,056,794
5.38%, 10/01/32	3,440	3,993,565
County of Miami-Dade Florida, GO, Building Better Communities Program (a): Series B, 6.38%, 7/01/18	6,000	6,663,660
Series B-1, 5.75%, 7/01/18	3,700	4,065,116
County of Miami-Dade Florida, RB, Seaport: Series A, 6.00%, 10/01/38	5,695	7,136,291
Series B, AMT, 6.00%, 10/01/30	1,820	2,285,083
Series B, AMT, 6.25%, 10/01/38	1,165	1,482,637
Series B, AMT, 6.00%, 10/01/42	1,865	2,295,218
County of Miami-Dade Florida, Refunding RB, Water & Sewer System, Series C (BHAC), 6.00%, 10/01/18 (a)	20,095	22,412,154
County of Miami-Dade Florida Aviation, Refunding ARB, AMT: 5.00%, 10/01/34	530	623,089
Miami International Airport, Series A (AGM), 5.50%, 10/01/41	19,020	20,739,028
County of Miami-Dade Florida Educational Facilities Authority, RB, University Miami, Series A, 5.00%, 4/01/40	14,360	17,105,919
County of Miami-Dade Florida Transit System, RB, Surtax (AGM), 5.00%, 7/01/35	2,800	3,010,756
County of Palm Beach Florida Solid Waste Authority, Refunding RB, 5.00%, 10/01/31	3,100	3,654,900
County of Sarasota Florida Public Hospital District, RB, Sarasota Memorial Hospital Project, Series A, 5.63%, 7/01/39	5,135	5,721,160
		131,786,649
Georgia 2.1%		
County of Burke Georgia Development Authority, Refunding RB, Oglethorpe Power-Vogle Project, Series C, 5.70%, 1/01/43	6,450	6,858,414
County of Gainesville Georgia & Hall Hospital Authority, Refunding RB, Northeast Georgia Health System, Inc. Project, Series A, 5.50%, 8/15/54	1,405	1,742,003
Metropolitan Atlanta Rapid Transit Authority, Refunding RB, 3rd Indenture, Series B, 5.00%, 7/01/17 (a)	10,000	10,412,500
Private Colleges & Universities Authority, RB, Savannah College of Art & Design: 5.00%, 4/01/33	395	462,936
5.00%, 4/01/44	1,775	2,049,486
		21,525,339
Hawaii 0.4%		
State of Hawaii Department of Transportation, COP, AMT: 5.00%, 8/01/27	2,000	2,367,920
5.00%, 8/01/28	1,775	2,082,821
		4,450,741
Illinois 17.5%		
City of Chicago Illinois, GARB, O Hare International Airport, 3rd Lien, Series A, 5.75%, 1/01/39	9,000	10,550,520
City of Chicago Illinois, GO, Refunding, Series A: 5.00%, 1/01/35	7,280	7,433,535
Project, 5.25%, 1/01/33	2,340	2,427,188
City of Chicago Illinois, RB, Motor Fuel Tax Project, Series A (AGC), 5.00%, 1/01/38	3,175	3,316,986
	Par	
Municipal Bonds		
Illinois (continued)		
City of Chicago Illinois, Refunding GARB, O Hare International Airport, AMT, Series B, 5.00%, 1/01/31	\$ 2,425	\$ 2,745,051
City of Chicago Illinois, Refunding RB, Series A:		

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Sales Tax Receipts, 5.00%, 1/01/41	2,715	2,886,887
Waterworks, 2nd Lien (AMBAC), 5.00%, 11/01/36	3,500	3,537,345
City of Chicago Illinois Midway International Airport, Refunding RB, 2nd Lien, Series A, AMT, 5.00%, 1/01/34	3,035	3,508,217
City of Chicago Illinois Transit Authority, RB, Sales Tax Receipts, 5.25%, 12/01/36	1,620	1,805,279
County of Cook Illinois Community College District No. 508, GO, City College of Chicago, 5.13%, 12/01/38	3,250	3,700,612
County of Cook Illinois Forest Preserve District, GO, Refunding, Limited Tax Project, Series B, 5.00%, 12/15/37	615	688,548
Illinois Finance Authority, RB, Carle Foundation, Series A, 5.75%, 8/15/34	8,700	10,359,264
Illinois Finance Authority, Refunding RB:		
Northwestern Memorial Hospital, Series A, 6.00%, 8/15/39	5,250	6,060,862
Silver Cross Hospital and Medical Centers, 4.13%, 8/15/37	1,965	2,101,961
Silver Cross Hospital and Medical Centers, 5.00%, 8/15/44	985	1,137,488
Illinois Municipal Electric Agency, RB, Series A (NPFGC) (a):		
5.00%, 2/01/17	17,935	18,342,842
5.25%, 2/01/17	15,000	15,360,000
Metropolitan Pier & Exposition Authority, RB, CAB, McCormick Place Expansion Project, Series A (NPFGC) (c):		
0.00%, 12/15/26	8,500	6,084,385
0.00%, 6/15/32	14,000	7,797,720
0.00%, 12/15/33	20,000	10,415,400
0.00%, 12/15/34	41,880	20,705,053
Metropolitan Pier & Exposition Authority, Refunding RB, CAB, McCormick Place Expansion Project, Series B (AGM), 0.00%, 6/15/44 (c)	9,430	3,143,208
Railsplitter Tobacco Settlement Authority, RB, 6.00%, 6/01/28	1,700	2,038,572
Regional Transportation Authority, RB, Series C (NPFGC), 7.75%, 6/01/20	720	830,225
State of Illinois, GO:		
5.25%, 7/01/29	3,160	3,517,807
5.25%, 2/01/33	5,860	6,507,237
5.50%, 7/01/33	2,235	2,513,459
5.25%, 2/01/34	5,360	5,933,413
5.50%, 7/01/38	1,200	1,337,004
5.00%, 2/01/39	7,500	8,098,200
State of Illinois Toll Highway Authority, RB, Series B, 5.50%, 1/01/18 (a)	4,000	4,279,520
State of Illinois Toll Highway Authority, RB, Series B (BHAC), 5.50%, 1/01/18 (a)	2,000	2,139,760
University of Illinois, RB, Auxiliary Facilities System, Series A, 5.00%, 4/01/39	2,580	2,977,036
		184,280,584
Indiana 3.1%		
City of Indianapolis Indiana, Refunding RB, Series B (AGC), 5.25%, 8/15/27	5,000	5,416,350
Indiana Finance Authority, RB, Series A:		
CWA Authority Project, 1st Lien, 5.25%, 10/01/38	2,900	3,453,552

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniYield Quality Fund III, Inc. (MYI)

	Par	
	(000)	Value
Municipal Bonds		
Indiana (continued)		
Indiana Finance Authority, RB, Series A (continued):		
Private Activity Bond, Ohio River Bridges East End Crossing Project, AMT, 5.00%, 7/01/44	\$ 1,400	\$ 1,573,810
Private Activity Bond, Ohio River Bridges, AMT, 5.00%, 7/01/40	2,425	2,750,387
Indiana Municipal Power Agency, RB (a):		
Series A (NPFGC), 5.00%, 1/01/17	3,850	3,921,802
Series B, 6.00%, 1/01/19	5,000	5,639,200
Indianapolis Local Public Improvement Bond Bank, Refunding RB, Waterworks Project, Series A:		
5.75%, 1/01/38	2,900	3,253,365
(AGC), 5.25%, 1/01/29	1,350	1,494,855
(AGC), 5.50%, 1/01/38	4,250	4,750,012
		32,253,333
Iowa 2.5%		
Iowa Finance Authority, RB, Iowa Health Care Facilities, Series A (AGC), 5.63%, 8/15/19 (a)	12,650	14,522,453
Iowa Student Loan Liquidity Corp., RB, Senior Series A-2, AMT:		
5.60%, 12/01/26	2,805	3,031,812
5.70%, 12/01/27	2,800	3,007,844
5.75%, 12/01/28	1,480	1,589,046
5.80%, 12/01/29	1,890	2,027,252
5.85%, 12/01/30	1,965	2,109,290
		26,287,697
Kentucky 1.2%		
Kentucky Economic Development Finance Authority, RB, Catholic Health Initiatives, Series A, 5.38%, 1/01/40		
	1,000	1,160,570
Kentucky Public Transportation Infrastructure Authority, RB, Downtown Crossing Project, Convertible CAB, 1st Tier, Series C, 0.00%, 7/01/39 (b)		
	8,225	7,308,241
Kentucky State Property & Building Commission, Refunding RB, Project No. 93, (AGC):		
5.25%, 2/01/19 (a)	3,545	3,948,988
5.25%, 2/01/28	455	502,302
		12,920,101
Louisiana 1.2%		
City of New Orleans Louisiana Aviation Board, RB, AMT:		
Series A (AGM), 5.25%, 1/01/32	6,405	6,736,074
Series B, 5.00%, 1/01/40	4,825	5,608,532
		12,344,606
Maine 0.3%		
Maine Health & Higher Educational Facilities Authority, RB, Series A, 5.00%, 7/01/46	2,945	3,400,680
Massachusetts 1.1%		
Massachusetts DFA, Refunding RB, Series A, 5.00%, 10/01/43		
	1,045	1,224,019
Massachusetts HFA, RB, M/F Housing, Series B, 7.00%, 12/01/38		
	3,150	3,398,283
Massachusetts HFA, Refunding RB, Series C, AMT, 5.35%, 12/01/42		
	2,555	2,711,341
Massachusetts School Building Authority, RB, Dedicated Sales Tax, Senior Series A, 5.00%, 5/15/43		
	3,495	4,160,378
		11,494,021
Michigan 7.5%		
City of Detroit Michigan Water Supply System, RB, 2nd Lien, Series B (AGM), 6.25%, 7/01/36		
	1,075	1,210,235