

Edgar Filing: MUNIHOLDINGS FUND II INC /NJ/ - Form N-Q

MUNIHOLDINGS FUND II INC /NJ/
 Form N-Q
 December 22, 2005

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

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED
 MANAGEMENT INVESTMENT COMPANY

Investment Company Act File number 811-8215

Name of Fund: MuniHoldings Fund II, Inc.

Fund Address: P.O. Box 9011
 Princeton, NJ 08543-9011

Name and address of agent for service: Robert C. Doll, Jr., Chief Executive
 Officer, MuniHoldings Fund II, Inc., 800 Scudders Mill Road, Plainsboro,
 NJ, 08536. Mailing address: P.O. Box 9011, Princeton, NJ, 08543-9011

Registrant's telephone number, including area code: (609) 282-2800

Date of fiscal year end: 07/31/06

Date of reporting period: 08/01/05 - 10/31/05

Item 1 - Schedule of Investments

MuniHoldings Fund II, Inc.

Schedule of Investments as of October 31, 2005

State	Face Amount	Municipal Bonds
Alabama - 2.6%	\$ 3,450	Jefferson County, Alabama, Limited Obligation School Warrants, S 5% due 1/01/2024
	700	Sylacauga, Alabama, Health Care Authority Revenue Bonds (Coosa V Center), Series A, 6% due 8/01/2025
Arizona - 4.3%	1,000	Arizona Health Facilities Authority Revenue Bonds (Catholic Heal Series A, 6.625% due 7/01/2020
	1,500	Maricopa County, Arizona, IDA, Education Revenue Bonds (Arizona Project 1), Series A, 6.50% due 7/01/2012
	2,800	Phoenix, Arizona, IDA, Airport Facility, Revenue Refunding Bonds Airlines Inc. Project), AMT, 6.30% due 4/01/2023
	1,000	Pima County, Arizona, IDA, Education Revenue Bonds (Arizona Char Series C, 6.75% due 7/01/2031
	1,210	Show Low, Arizona, Improvement District Number 5, Special Assess due 1/01/2015
Arkansas - 0.7%	1,000	University of Arkansas, University Construction Revenue Bonds (U 5% due 11/01/2022 (d)
California - 30.1%	2,000	Benicia, California, Unified School District, GO, Refunding, Ser

Edgar Filing: MUNIHOLDINGS FUND II INC /NJ/ - Form N-Q

	8/01/2020 (b)	
2,565	California Pollution Control Financing Authority, PCR, Refunding Series 878Z, 7.667% due 12/01/2009 (d) (e)	
5,000	California State Department of Water Resources, Power Supply Rev	5.25% due 5/01/2020
250		5.375% due 5/01/2022
	California State, GO, Refunding:	
1,835		5.375% due 10/01/2010 (h)
415		5.375% due 10/01/2027
5,200	California State Public Works Board, Lease Revenue Bonds (Depart	
	Series C, 5.25% due 6/01/2028	
1,000	East Side Union High School District, California, Santa Clara Co	
	of 2002), Series D, 5% due 8/01/2020 (i)	

Portfolio
Abbreviations

To simplify the listings of MuniHoldings Fund II, Inc.'s portfolio holdings in the Schedule of Investments, we have abbreviated the names of many of the securities according to the list below.

AMT	Alternative Minimum Tax (subject to)
DRIVERS	Derivative Inverse Tax-Exempt Receipts
EDA	Economic Development Authority
GO	General Obligation Bonds
HDA	Housing Development Authority
HFA	Housing Finance Agency
IDA	Industrial Development Authority
IDR	Industrial Development Revenue Bonds
PCR	Pollution Control Revenue Bonds
S/F	Single-Family
VRDN	Variable Rate Demand Notes

MuniHoldings Fund II, Inc.

Schedule of Investments as of October 31, 2005 (concluded)

State	Face Amount	Municipal Bonds
California (concluded)		Golden State Tobacco Securitization Corporation of California, T Revenue Bonds:
	\$ 870	Series A-3, 7.875% due 6/01/2042
	1,330	Series B, 5.625% due 6/01/2013 (h)
	6,030	Los Angeles, California, Unified School District, GO, Series A, 1/01/2028 (d)
	1,750	Poway, California, Unified School District, Special Tax (Communi District Number 6 Area), Series A, 6.125% due 9/01/2033
	5,000	Sacramento County, California, Sanitation District Financing Aut Refunding Bonds, Series A, 6% due 12/01/2019
	5,400	San Diego, California, Unified Port District, Revenue Refunding 5.25% due 9/01/2019 (d)
	1,820	San Marino, California, Unified School District, GO, Series A (d 5.50%** due 7/01/2017

Edgar Filing: MUNIHOLDINGS FUND II INC /NJ/ - Form N-Q

	1,945	5.55%** due 7/01/2018
	2,070	5.60%** due 7/01/2019
	5,000	Tracy, California, Area Public Facilities Financing Agency, Special Assessment Revenue Bonds (Community Facilities District Number 87-1), Series H, 5.8%
	2,440	William S. Hart Union High School District, California, Capital Improvement Bonds (Election of 2001), Series B, 4.70%** due 9/01/2023 (c)
Colorado - 1.2%	1,845	Elk Valley, Colorado, Public Improvement Revenue Bonds (Public Improvement Series A, 7.10% due 9/01/2014
Connecticut - 0.9%	1,715	Bridgeport, Connecticut, Senior Living Facilities Revenue Bonds (Senior Living Community Project), 7.25% due 4/01/2035
Florida - 5.9%	1,665	Ballantrae, Florida, Community Development District, Capital Improvement Bonds, 6% due 5/01/2035
	1,000	Broward County, Florida, Airport Exempt Facility Revenue Bonds (Airport Exempt Facility AMT, 7.50% due 11/01/2020
	1,765	Miami-Dade County, Florida, Subordinate Special Obligation Revenue Bonds, 5.24%** due 10/01/2037 (d)
	2,450	Midtown Miami, Florida, Community Development District, Special Assessment Revenue Bonds, Series A, 6.25% due 5/01/2037
	2,400	Orange County, Florida, Health Facilities Authority, Hospital Revenue Bonds (Regional Healthcare), 6% due 12/01/2028
	1,275	Preserve at Wilderness Lake, Florida, Community Development District, Capital Improvement Bonds, Series A, 5.90% due 5/01/2034
Georgia - 3.6%	1,250	Atlanta, Georgia, Tax Allocation Bonds (Atlantic Station Project), 6.50% due 12/01/2024
	1,315	Brunswick & Glynn County, Georgia, Development Authority, First Special Assessment Bonds (Coastal Community Retirement Corporation Project), Series A, 6.50% due 1/01/2035
	1,945	Fulton County, Georgia, Development Authority, PCR (General Motors Refunding, VRDN, 6.75% due 4/01/2010 (j)
	1,250	Milledgeville-Baldwin County, Georgia, Development Authority Revenue Bonds (College and State University Foundation), 5.50% due 9/01/2024
Idaho - 1.3%	2,000	Power County, Idaho, Industrial Development Corporation, Solid Waste Revenue Bonds (FMC Corporation Project), AMT, 6.45% due 8/01/2035
Illinois - 2.4%	1,000	Chicago, Illinois, O'Hare International Airport, Special Assessment Revenue Bonds (American Airlines Inc. Project), 8.20% due 12/01/2024
	1,000	Chicago, Illinois, Special Assessment Bonds (Lake Shore East), 6.50% due 12/01/2024
	2,000	Illinois HDA, Homeowner Mortgage Revenue Bonds, AMT, Sub-Series A, 5.50% due 8/01/2022
Louisiana - 2.4%	2,500	Louisiana Public Facilities Authority, Hospital Revenue Bonds (Fidelity of Our Lady Health System, Inc.), Series A, 5.25% due 8/15/2036
	1,275	New Orleans, Louisiana, Financing Authority Revenue Bonds (Xavier University Louisiana Project), 5.30% due 6/01/2026 (d)
Maine - 2.2%	3,455	Maine State Housing Authority, Mortgage Purchase Revenue Refunding Bonds, 5.30% due 11/15/2023
Maryland - 1.7%	1,250	Maryland State Economic Development Corporation, Student Housing Revenue Bonds (University of Maryland College Park Project), 6.50% due 6/01/2035
	1,050	Maryland State Energy Financing Administration, Limited Obligation Revenue Bonds (Cogeneration-AES Warrior Run), AMT, 7.40% due 9/01/2019
	350	Prince Georges County, Maryland, Special Obligation Bonds (National Harbor), 5.20% due 7/01/2034
Massachusetts - 4.6%	1,000	Massachusetts Bay Transportation Authority, Special Assessment Revenue Bonds (Series A, 5% due 7/01/2034

Edgar Filing: MUNIHOLDINGS FUND II INC /NJ/ - Form N-Q

		Massachusetts State Development Finance Agency Revenue Bonds (Ne Home), Series A (f):
	600	5.75% due 6/20/2022
	1,500	6% due 6/20/2044
	1,000	Massachusetts State, HFA, Housing Revenue Bonds (Rental Mortgage 5.625% due 7/01/2040 (a)
	3,115	Massachusetts State School Building Authority, Dedicated Sales T Series A, 5% due 8/15/2030 (c)
Michigan - 2.4%	1,100	Flint, Michigan, Hospital Building Authority Revenue Refunding B Center), Series A, 6% due 7/01/2020 (k)
	2,500	Michigan State Strategic Fund, Limited Obligation Revenue Refund AMT, Series 857Z, 8.257% due 3/01/2010 (e) (i)
Minnesota - 7.3%	1,680	Minneapolis, Minnesota, Community Development Agency, Supported Refunding Bonds (Common Bond), Series G-3, 5.35% due 12/01/2021
	4,220	Minnesota State Municipal Power Agency, Electric Revenue Bonds, Rockford, Minnesota, Independent School District Number 883, GO
	2,870	5.60% due 2/01/2019
	2,390	5.60% due 2/01/2020
Mississippi - 1.6%		Mississippi Business Finance Corporation, Mississippi, PCR, Refu Resources Inc. Project):
	2,000	5.875% due 4/01/2022
	500	5.90% due 5/01/2022
Missouri - 2.1%		Fenton, Missouri, Tax Increment Revenue Refunding and Improvemen Bluffs):
	215	6.75% due 10/01/2015
	1,000	7% due 10/01/2021
	1,000	Kansas City, Missouri, IDA, First Mortgage Health Facilities Rev Spencer Place), Series A, 6.50% due 1/01/2035
	1,000	Missouri State Development Finance Board, Infrastructure Facilit Refunding Bonds (Branson), Series A, 5.50% due 12/01/2032
New Jersey - 11.3%		New Jersey EDA, Cigarette Tax Revenue Bonds:
	4,050	5.75% due 6/15/2029
	1,890	5.50% due 6/15/2031
	1,000	New Jersey EDA, Retirement Community Revenue Bonds, Series A: (Cedar Crest Village Inc. Facility), 7.25% due 11/15/2031
	2,000	(Seabrook Village Inc.), 8.125% due 11/15/2023
	2,000	New Jersey EDA, Special Facility Revenue Bonds (Continental Airl AMT, 6.625% due 9/15/2012
	2,375	New Jersey Health Care Facilities Financing Authority Revenue Bo Hospital), 6% due 7/01/2026
	2,500	New Jersey State Turnpike Authority, Turnpike Revenue Bonds, Ser 1/01/2030 (c)
	1,725	Tobacco Settlement Financing Corporation of New Jersey, Asset-Ba 7% due 6/01/2041
New Mexico - 2.3%	3,675	Farmington, New Mexico, PCR, Refunding (Public Service Company-S Series A, 5.80% due 4/01/2022
New York - 9.8%	1,000	Dutchess County, New York, IDA, Civic Facility Revenue Refunding Hospital), Series A, 7.50% due 3/01/2029
	415	New York City, New York, City IDA, Civic Facility Revenue Bonds, due 6/01/2028
	1,600	New York City, New York, Sales Tax Asset Receivable Corporation DRIVERS, Series 1133Z, 7.50% due 10/15/2012 (e)
	1,500	Series A, 5% due 10/15/2029
	2,200	New York State Dormitory Authority, Non-State Supported Debt, Re Sinai-NYU Medical Center Health System), 5.50% due 7/01/2026

Edgar Filing: MUNIHOLDINGS FUND II INC /NJ/ - Form N-Q

	2,030	New York State Dormitory Authority Revenue Bonds (School District Series D, 5.25% due 10/01/2023 (d)
	40	Suffolk County, New York, IDA, Civic Facility Revenue Bonds (Special Pooled Program), Series D-1, 5.50% due 7/01/2007
	1,100	Tobacco Settlement Financing Corporation of New York Revenue Bonds Series A-1, 5.50% due 6/01/2015
	2,400	Series A-1, 5.50% due 6/01/2018
	1,100	Series C-1, 5.50% due 6/01/2022
	1,575	Westchester County, New York, IDA, Continuing Care Retirement, M (Kendal on Hudson Project), Series A, 6.50% due 1/01/2034
North Carolina - 2.5%	805	Gaston County, North Carolina, Industrial Facilities and Pollution Authority, Revenue Bonds (National Gypsum Company Project), AMT, 6.75% due 1/01/2026
	2,000	North Carolina Eastern Municipal Power Agency, Power System Revenue Bonds, Series A, 6.75% due 1/01/2026
	1,000	North Carolina Medical Care Commission, Health Care Housing Revenue Bonds (of North Carolina Projects), Series A, 5.80% due 10/01/2034
Oklahoma - 1.4%	1,320	Oklahoma State Housing Finance Agency, S/F Mortgage Revenue Bonds (Loan Program), Series D-2, AMT, 6.25% due 9/01/2029 (f)(g)
	1,075	Tulsa, Oklahoma, Municipal Airport Trust Revenue Refunding Bonds, AMT, Series A, 5.375% due 12/01/2035
Pennsylvania - 5.3%	2,090	Lehigh County, Pennsylvania, IDA, PCR, Refunding (Pennsylvania Public Utilities Corporation Project), 4.75% due 2/15/2027 (b)
	2,750	Pennsylvania Economic Development Financing Authority, Exempt Facility Bonds (National Gypsum Company), AMT, Series A, 6.25% due 11/01/2027
	540	Philadelphia, Pennsylvania, Authority for IDR, Commercial Development Revenue Bonds, Series A, 6.25% due 12/01/2017
	2,630	Sayre, Pennsylvania, Health Care Facilities Authority, Revenue Bonds (Healthcare System), Series B, 7.125% due 12/01/2031
Rhode Island - 1.5%	2,190	Rhode Island State Health and Educational Building Corporation, Revenue Bonds (Lifespan Obligation Group), 6.50% due 8/15/2032
South Carolina - 2.8%	2,080	Medical University Hospital Authority, South Carolina, Hospital Refunding Bonds, Series A, 6.375% due 8/15/2012 (h)
	2,000	South Carolina Jobs, EDA, Economic Development Revenue Bonds (West Center), 7.75% due 11/15/2030
Tennessee - 4.1%	2,200	Hardeman County, Tennessee, Correctional Facilities Corporation Revenue Bonds, Series B, 7.375% due 8/01/2017
	500	Sevier County, Tennessee, Public Building Authority Revenue Bonds (Public Improvement IV, VRDN, Series B-6, 2.74% due 6/01/2020 (c)
	3,450	Shelby County, Tennessee, Health, Educational and Housing Facilities Revenue Refunding Bonds, (Methodist Healthcare), 6.50% due 9/01/2030
Texas - 10.9%	2,665	Austin, Texas, Convention Center Revenue Bonds (Convention Center Tier, Series A, 6.70% due 1/01/2028
	1,000	Brazos River Authority, Texas, PCR, Refunding (TXU Energy Company Project), Series B, 4.75% due 5/01/2029
	2,500	Brazos River, Texas, Harbor Navigation District, Brazoria County Revenue Refunding Bonds (Dow Chemical Company Project), AMT, Series A, 5/15/2033
	2,610	Harris County, Texas, Revenue Refunding Bonds, DRIVERS, Series 1, 8/15/2009 (c)(e)
	1,300	Houston, Texas, Health Facilities Development Corporation, Retirement Revenue Bonds (Buckingham Senior Living Community), Series A, 7.75% due 1/01/2034
	2,965	Matagorda County, Texas, Navigation District Number 1, Revenue Bonds (Reliant Energy Inc.), Series C, 8% due 5/01/2029
	1,100	Port Corpus Christi, Texas, Individual Development Corporation, Facilities Revenue Bonds (Citgo Petroleum Corporation Project), Series A, 6.75% due 1/01/2034

Edgar Filing: MUNIHOLDINGS FUND II INC /NJ/ - Form N-Q

		11/01/2031	
	2,495	Red River Authority, Texas, PCR, Refunding (Celanese Project), S	due 11/01/2030
Vermont - 0.6%	1,000	Vermont Educational and Health Buildings, Financing Agency Reven	(Developmental and Mental Health), Series A, 6.50% due 6/15/2032
Virginia - 14.3%	575	Chesterfield County, Virginia, IDA, PCR, Refunding (Virginia Ele	Company), Series B, 5.875% due 6/01/2017
	425	Chesterfield County, Virginia, IDA, PCR (Virginia Electric and P	Series A, 5.875% due 6/01/2017
	5,000	Fairfax County, Virginia, EDA, Resource Recovery Revenue Refundi	Series A, 6.10% due 2/01/2011 (a)
	3,885	Pocahontas Parkway Association, Virginia, Toll Road Revenue Bond	Senior-Series A, 5.50% due 8/15/2028
	18,400	Senior-Series B, 7.35%** due 8/15/2030	
	3,800	Tobacco Settlement Financing Corporation of Virginia, Asset Back	5.625% due 6/01/2037
	1,095	Virginia State HDA, Rental Housing Revenue Bonds, AMT, Series B,	
	3,200	Virginia State HDA, Revenue Bonds, AMT, Series D, 6% due 4/01/20	
Washington - 0.6%	1,040	Seattle, Washington, Housing Authority Revenue Bonds (Replacemen	6.125% due 12/01/2032
Wisconsin - 0.9%	1,360	Wisconsin State Health and Educational Facilities Authority Reve	(Synergyhealth Inc.), 6% due 11/15/2032
Puerto Rico - 2.6%	3,040	Puerto Rico Electric Power Authority, Power Revenue Bonds, Serie	7/01/2027 (i)
	1,550	Puerto Rico Industrial, Medical and Environmental Pollution Cont	Financing Authority, Special Facilities Revenue Bonds (American
		Series A, 6.45% due 12/01/2025	
U.S. Virgin Islands - 1.8%	2,680	Virgin Islands Government Refinery Facilities, Revenue Refunding	Coker Project), AMT, 6.50% due 7/01/2021
		Total Municipal Bonds (Cost - \$233,373) - 150.0%	

Shares Held	Short-Term Securities
12	Merrill Lynch Institutional Tax-Exempt Fund (1)
	Total Short-Term Securities (Cost - \$12) - 0.0%
	Total Investments (Cost - \$233,385*) - 150.0%
	Other Assets Less Liabilities - 3.2%
	Preferred Stock, at Redemption Value - (53.2%)
	Net Assets Applicable to Common Stock - 100.0%

* The cost and unrealized appreciation (depreciation) of investments as of October 31, 2005, as computed for federal income tax purposes, were as follows:

Aggregate cost	\$	233,385
		=====
Gross unrealized appreciation	\$	13,939
Gross unrealized depreciation		(1,847)

Edgar Filing: MUNIHOLDINGS FUND II INC /NJ/ - Form N-Q

Net unrealized appreciation	----- \$ 12,092 =====
-----------------------------	-----------------------------

** Represents a zero coupon bond; the interest rate shown reflects the effective yield at the time of purchase.

- (a) AMBAC Insured.
- (b) FGIC Insured.
- (c) FSA Insured.
- (d) MBIA Insured.
- (e) The rate disclosed is that currently in effect. This rate changes periodically and inversely based upon prevailing market rates.
- (f) GNMA Collateralized.
- (g) FNMA Collateralized.
- (h) Prerefunded.
- (i) XL Capital Insured.
- (j) Security may have a maturity of more than one year at time of issuance, but has variable rate and demand features that qualify it as a short-term security. The rate disclosed is that currently in effect. This rate changes periodically based upon prevailing market rates.
- (k) ACA Insured.
- (l) Investments in companies considered to be an affiliate of the Fund, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, were as follows:

Affiliate	Net Activity	Dividend Income
Merrill Lynch Institutional Tax-Exempt Fund	-	\$ -*

*Amount is less than \$1,000.

Item 2 - Controls and Procedures

- 2(a) - The registrant's certifying officers have reasonably designed such disclosure controls and procedures to ensure material information relating to the registrant is made known to us by others particularly during the period in which this report is being prepared. The registrant's certifying officers have determined that the registrant's disclosure controls and procedures are effective based on our evaluation of these controls and procedures as of a date within 90 days prior to the filing date of this report.
- 2(b) - There were no changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the Act (17 CFR 270.30a-3(d)) that occurred during the last fiscal quarter of the period covered by this report that has materially affected, or is reasonably likely to materially affect, the registrant's

Edgar Filing: MUNIHOLDINGS FUND II INC /NJ/ - Form N-Q

internal control over financial reporting.

Item 3 - Exhibits

Certifications - Attached hereto

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

MuniHoldings Fund II, Inc.

By: /s/ Robert C. Doll, Jr.

Robert C. Doll, Jr.
Chief Executive Officer
MuniHoldings Fund II, Inc.

Date: December 17, 2005

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By: /s/ Robert C. Doll, Jr.

Robert C. Doll, Jr.
Chief Executive Officer
MuniHoldings Fund II, Inc.

Date: December 17, 2005

By: /s/ Donald C. Burke

Donald C. Burke
Chief Financial Officer
MuniHoldings Fund II, Inc.

Date: December 17, 2005