

JOHN HANCOCK TAX-ADVANTAGED DIVIDEND INCOME FUND  
Form N-Q  
December 01, 2008

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

**FORM N-Q**

**QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED  
MANAGEMENT INVESTMENT COMPANIES**

Investment Company Act file number 811- 21416

John Hancock Tax-Advantaged Dividend Income Fund  
(Exact name of registrant as specified in charter)

601 Congress Street, Boston, Massachusetts 02210  
(Address of principal executive offices) (Zip code)

Alfred P. Ouellette, Senior Counsel and Assistant Secretary

601 Congress Street

Boston, Massachusetts 02210

(Name and address of agent for service)

Registrant's telephone number, including area code: 617-663-4324

Date of fiscal year end: December 31

Date of reporting period: September 30, 2008

ITEM 1. SCHEDULE OF INVESTMENTS

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**John Hancock Tax-Advantaged Dividend Income Fund**  
**Securities owned by the Fund on**  
**September 30, 2008 (Unaudited)**

Issuer	Shares	Value
<b>Common stocks 103.09%</b> (Cost \$624,281,693)		<b>\$556,121,930</b>

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<b>Diversified Banks 4.30%</b>		<b>23,196,800</b>
Comerica, Inc.	220,000	7,213,800
U.S. Bancorp	400,000	14,408,000
Wachovia Corp.	450,000	1,575,000
<b>Electric Utilities 15.69%</b>		<b>84,658,505</b>
American Electric Power Co., Inc.	508,500	18,829,755
Duke Energy Corp.	700,000	12,201,000
Great Plains Energy, Inc.	40,000	888,800
Pinnacle West Capital Corp.	215,000	7,398,150
Progress Energy, Inc.	575,000	24,799,750
Southern Co.	545,000	20,541,050
<b>Gas Utilities 10.67%</b>		<b>57,545,030</b>
Atmos Energy Corp.	766,500	20,404,230
Northwest Natural Gas Co.	273,000	14,196,000
ONEOK, Inc.	667,000	22,944,800
<b>Industrial Conglomerates 0.66%</b>		<b>3,570,000</b>
General Electric Co.	140,000	3,570,000
<b>Integrated Oil &amp; Gas 5.12%</b>		<b>27,620,775</b>
BP PLC, ADR	417,500	20,945,975
Total SA, ADR	110,000	6,674,800
<b>Integrated Telecommunication Services 3.91%</b>		<b>21,097,107</b>
Alaska Communications Systems Group, Inc.	55,000	672,650
AT&T, Inc.	500,000	13,960,000
FairPoint Communications, Inc.	4,248	36,830
Verizon Communications, Inc.	200,300	6,427,627
<b>Multi-Utilities 49.91%</b>		<b>269,215,378</b>
Ameren Corp.	561,100	21,899,733
Black Hills Corp.	460,000	14,292,200
CH Energy Group, Inc.	386,000	16,818,020
Consolidated Edison, Inc.	315,000	13,532,400
Dominion Resources, Inc.	461,000	19,721,580
DTE Energy Co.	600,000	24,072,000
Integrus Energy Group, Inc.	620,000	30,962,800
NiSource, Inc.	790,500	11,667,780
NSTAR	875,000	29,312,500
OGE Energy Corp.	860,000	26,556,800
PNM Resources, Inc.	58,000	593,920
Public Service Enterprise Group, Inc.	420,000	13,771,800
TECO Energy, Inc.	350,000	5,505,500
Vectren Corp.	815,700	22,717,245
Xcel Energy, Inc.	890,000	17,791,100
<b>Oil &amp; Gas Storage &amp; Transportation 4.65%</b>		<b>25,109,000</b>
Spectra Energy Corp.	1,055,000	25,109,000

**Publishing 0.01%**

Idearc, Inc.

26,830

**33,538**

33,538

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## John Hancock Tax-Advantaged Dividend Income Fund

### Securities owned by the Fund on September 30, 2008 (Unaudited)

Issuer	Shares	Value
<b>Regional Banks 6.63%</b>		<b>\$35,746,860</b>
BB&T Corp.	420,000	15,876,000
KeyCorp.	619,000	7,390,860
Regions Financial Corp.	1,300,000	12,480,000
<b>Wireless Telecommunication Services 1.54%</b>		<b>8,328,937</b>
Vodafone Group PLC, ADR	376,875	8,328,937

Issuer, description	Credit rating (A)	Shares	Value
<b>Preferred Stocks 47.04%</b>			<b>\$253,755,455</b>
(Cost \$365,634,347)			
<b>Broadcasting &amp; Cable TV 0.45%</b>			<b>2,440,975</b>
Comcast Corp., 7.00%	BBB+	125,500	2,440,975
<b>Consumer Finance 0.82%</b>			<b>4,449,125</b>
HSBC Finance Corp., 6.36%, Depository Shares, Ser B	A	150,000	2,332,500
HSBC Holdings PLC, 8.125%	A	50,000	1,103,000
SLM Corp., 6.970%, Ser A	BB	42,500	1,013,625
<b>Diversified Banks 4.74%</b>			<b>25,568,750</b>
Bank of America Corp., 6.204%, Depository Shares, Ser D	A	240,000	4,356,000
Bank of America Corp., 6.625%	A	245,000	4,655,000
Bank of America Corp., 8.200%	A1	185,000	4,208,750
Royal Bank of Scotland Group PLC, 5.750%, Ser L	A	858,500	7,297,250
Wachovia Corp., 8.000%	BB	605,000	5,051,750
<b>Diversified Financial Services 8.54%</b>			<b>46,044,332</b>
ABN AMRO Capital Funding Trust VII, 6.080%	A	983,000	8,011,450
Citigroup, Inc., 8.125%, Depository Shares, Ser AA	A	343,050	5,660,325
Citigroup, Inc., 8.500%, Depository Shares, Ser F	A	125,000	2,168,750
Deutsche Bank Contingent Capital Trust II, 6.550%	A	310,000	4,495,000
Deutsche Bank Contingent Capital Trust III, 7.600%	A	541,000	9,786,690
JPMorgan Chase & Co., 5.490%, Ser G	A	256,100	9,032,647

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JPMorgan Chase & Co., 5.720%, Ser F	A	15,100	539,070
JPMorgan Chase & Co., 6.150%, Ser E	A	98,000	3,851,400
JPMorgan Chase & Co, 8.625%	A	100,000	2,499,000

**Electric Utilities 17.06%**

**92,041,825**

Alabama Power Co., (Class A), 5.300%	BBB+	200,000	4,216,000
Carolina Power & Light Co., 5.440%	BBB-	111,493	10,069,212
Connecticut Light & Power Co., 3.240%, Ser 68G	BB+	20,686	979,068
Constellation Energy Group, Inc., 8.625%	BB+	300,000	6,750,000
Duquesne Light Co., 6.500%	BB	427,000	18,427,740
Entergy Arkansas, Inc., 4.560%	BB+	9,388	805,021
Entergy Arkansas, Inc., 4.560%, Ser 1965	BB+	9,818	841,894
Entergy Arkansas, Inc., 6.080%	Ba1	11,372	1,199,391
Entergy Arkansas, Inc., 6.450%	BB+	110,000	2,746,568
Entergy Mississippi, Inc., 4.920%	Ba2	8,190	777,538
Entergy Mississippi, Inc., 6.250%	BB+	197,500	5,116,494
FPC Capital I, 7.100%, Ser A	BBB-	67,500	1,441,125
FPL Group Capital Trust I, 5.875%	BBB+	275,000	5,711,750
Interstate Power & Light Co., 7.100%, Ser C	BBB-	20,700	494,523
Interstate Power & Light Co., 8.375%, Ser B	Baa2	233,000	6,291,000
PPL Electric Utilities Corp., 6.250%, Depository Shares	BBB	300,000	7,246,890

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**John Hancock Tax-Advantaged Dividend Income Fund**  
**Securities owned by the Fund on**  
**September 30, 2008 (Unaudited)**

<b>Issuer, description</b>	<b>Credit rating (A)</b>	<b>Shares</b>	<b>Value</b>
<b>Electric Utilities (continued)</b>			
PPL Energy Supply, LLC, 7.000%	BBB	297,512	\$6,842,776
Southern California Edison Co., 6.000%, Ser C	BBB-	30,000	2,861,250
Southern California Edison Co., 6.125%	BBB-	50,000	4,768,750
Xcel Energy, Inc., Ser G, 4.560%	BBB-	53,900	4,454,835
<b>Gas Utilities 2.49%</b>			<b>13,434,750</b>
Southern Union Co., 7.550%, Ser A	BB	597,100	13,434,750
<b>Investment Banking &amp; Brokerage 4.08%</b>			<b>22,015,664</b>
Lehman Brothers Holdings, Inc., 5.670%, Depository Shares, Ser D (H)	Ca	65,000	4,550
Lehman Brothers Holdings, Inc., 5.940%, Depository Shares, Ser C (H)	Ca	274,760	9,617
Lehman Brothers Holdings, Inc., 6.500%, Depository Shares, Ser F (H)	Ca	219,300	10,965
Merrill Lynch & Co., Inc., 6.375%, Depository Shares, Ser 3	BBB+	139,000	1,902,910

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Merrill Lynch & Co., Inc., 8.625%, 8.625%, Ser MER	BBB+	1,057,800	20,087,622
<b>Life &amp; Health Insurance 2.20%</b>			<b>11,872,800</b>
MetLife, Inc., 6.500%, Ser B	BBB	765,000	11,872,800
<b>Multi-Line Insurance 0.58%</b>			<b>3,104,687</b>
ING Groep NV, 7.050%	A	140,000	1,842,400
ING Groep NV, 6.200%	A	109,100	1,262,287
<b>Multi-Utilities 1.85%</b>			<b>9,976,630</b>
BGE Capital Trust II, 6.200%	BB+	147,100	2,611,025
Public Service Electric & Gas Co., Ser D, 5.050%	BB+	23,442	2,086,338
Public Service Electric & Gas Co., Ser E, 5.280%	BB+	22,930	2,179,497
South Carolina Electric & Gas Co., 6.520%	Baa2	31,400	3,099,770
<b>Oil &amp; Gas Exploration &amp; Production 2.43%</b>			<b>13,103,325</b>
Nexen, Inc., 7.350%	BB+	645,484	13,103,325
<b>Specialized Finance 0.45%</b>			<b>2,402,500</b>
CIT Group, Inc., 6.350%, Ser A	BBB-	310,000	2,402,500
<b>U.S. Government Agency 0.02%</b>			<b>130,800</b>
Federal National Mortgage Assn., 8.250%	C	60,000	130,800
<b>Wireless Telecommunication Services 1.33%</b>			<b>7,169,292</b>
United States Cellular Corp., 7.500%	BBB-	398,294	7,169,292
<b>Total Investments (Cost \$989,916,040) □ 150.13%</b>			<b>\$809,877,385</b>
<b>Other assets and liabilities, net (50.13%)</b>			<b>(\$270,443,376)</b>
<b>Total net assets 100.00%</b>			<b>\$539,434,009</b>

The percentage shown for each investment category is the total value of that category as a percentage of the net assets applicable to common shareholders.

ADR American Depositary Receipt

(A) Credit ratings are unaudited and are rated by Moody's Investors Service where Standard & Poor's ratings are not available unless indicated otherwise.

(H) Non-income-producing, issuer is in bankruptcy and is in default of interest payments.

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□ At September 30, 2008, the aggregate cost of investment securities for federal income tax purposes was \$989,916,040. Net unrealized depreciation aggregated \$180,038,655, of which \$37,735,764 related to appreciated investment securities and \$217,774,419 related to depreciated investment securities.

The Fund had the following financial futures contracts open on September 30, 2008:

OPEN CONTRACTS	NUMBER OF CONTRACTS	POSITION	EXPIRATION	UNREALIZED APPRECIATION (DEPRECIATION)
U.S. 10-year Treasury Note	36	Short	Dec 2008	(\$19,448)
U.S. 10-year Treasury Note	60	Short	Dec 2008	(8,636)
U.S. 10-year Treasury Note	90	Short	Dec 2008	13,064
				<b>(\$15,020)</b>

The Fund had the following interest rate swap contracts open on September 30, 2008:

RATE TYPE					
NOTIONAL AMOUNT	PAYMENTS MADE BY FUND	PAYMENTS RECEIVED BY FUND	TERMINATION DATE	COUNTERPARTY	UNREALIZED DEPRECIATION
\$95,000,000	3.60% (a)	3-month LIBOR	Jan 2011	Bank of America	\$101,413
(a) Fixed rate					

**Notes to portfolio of investments**

**Security valuation**

The net asset value of the common shares of the Fund is determined daily as of the close of the New York Stock Exchange (NYSE), normally at 4:00 P.M., Eastern Time. Short-term debt investments that have a remaining maturity of 60 days or less are valued at amortized cost, and thereafter assume a constant amortization to maturity of any discount or premium, which approximates market value. All other securities held by the Fund are valued at the last sale price or official closing price (closing bid price or last evaluated quote if no sale has occurred) as of the close of business on the principal securities exchange (domestic or foreign) on which they trade or, lacking any sales, at the closing bid price. Securities traded only in the over-the-counter market are valued at the last bid price quoted by brokers making markets in the securities at the close of trading. Securities for which there are no such quotations, principally debt securities, are valued based on the evaluated prices provided by an independent pricing service, which utilizes both dealer-supplied and electronic data processing techniques, which take into account factors such as institutional-size trading in similar groups of securities, yield, quality, coupon rate, maturity, type of issue, trading characteristics and other market data.

Other assets and securities for which no such quotations are readily available are valued at fair value as determined in good faith under consistently applied procedures established by and under the general supervision of the Board of Trustees. Generally, trading in non-U.S. securities is substantially completed each day at various times prior to the close of trading on the NYSE. The values of such securities used in computing the net asset value of the Fund's shares are generally determined as of such times. Occasionally, significant events that affect the values of such securities may occur between the times at which such values are generally determined and the

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close of the NYSE. Upon such an occurrence, these securities will be valued at fair value as determined in good faith under consistently applied procedures established by and under the general supervision of the Board of Trustees.

In deciding whether to make a fair value adjustment to the price of a security, the Board of Trustees or their designee may review a variety of factors, including developments in foreign markets, the performance of U.S. securities markets and the performance of instruments trading in U.S. markets that represent foreign securities and baskets of foreign securities. The Fund may also fair value securities in other situations, for example, when a particular foreign market is closed, but the Fund is calculating the net asset value. In view of these factors, it is likely that a Fund investing significant amounts of assets in securities in foreign markets will be fair valued more frequently than a Fund investing significant amounts of assets in frequently traded, U.S. exchange listed securities of large-capitalization U.S. issuers.

For purposes of determining when fair value adjustments may be appropriate with respect to investments in securities in foreign markets that close prior to the NYSE, the Fund will, on an ongoing basis, monitor for significant market events. A significant market event may be a certain percentage change in the value of an index that tracks foreign markets in which the Fund has significant investments. If a significant market event occurs due to a change in the value of the index, the pricing for investments in foreign markets that have closed prior to the NYSE will promptly be reviewed and potential adjustments to the net asset value will be recommended to the Fund's Pricing Committee where applicable.

Valuations change in response to many factors including the historical and prospective earnings of the issuer, the value of the issuer's assets, general economic conditions, interest rates, investor perceptions and market liquidity.

The Fund adopted Statement of Financial Accounting Standards No. 157 (FAS 157), *Fair Value Measurements*, effective with the beginning of the Fund's fiscal year. FAS 157 established a three-tier hierarchy to prioritize the assumptions, referred to as inputs, used in valuation

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techniques to measure fair value. The three-tier hierarchy of inputs is summarized in the three broad levels listed below:

Level 1 – Quoted prices in active markets for identical securities.

Level 2 – Prices determined using other significant observable inputs. Observable inputs are inputs that other market participants would use in pricing a security. These may include quoted prices for similar securities, interest rates, prepayment speeds, credit risk and others.

Level 3 – Prices determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable, such as when there is little or no market activity for an investment, unobservable inputs may be used. Unobservable inputs reflect the Fund's own assumptions about the factors that market participants would use in pricing an investment and would be based on the best information available.

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

The following is a summary of the inputs used to value the Fund's net assets as of September 30, 2008:

<b>Valuation Inputs</b>	<b>Investments in Securities</b>	<b>Other Financial Instruments*</b>
Level 1 – Quoted Prices	\$744,395,589	(\$15,020)
Level 2 – Other Significant Observable Inputs	60,713,046	(101,413)
Level 3 – Significant Unobservable Inputs	4,768,750	-
Total	\$809,877,385	(\$116,433)

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\* Other financial instruments are derivative instruments not reflected in the Portfolio of Investments, such as futures, forwards and swap contracts, which are valued at the unrealized appreciation/depreciation on the instrument.

The following is a reconciliation of Level 3 assets for which significant unobservable inputs were used to determine fair value:

	<b>Investments in Securities</b>	<b>Other Financial Instruments</b>
Balance as of December 31, 2007	\$10,034,370	-
Accrued discounts/premiums	-	-
Realized gain (loss)	-	-
Change in unrealized appreciation (depreciation)	4,685	-
Net purchases (sales)	-	-
Transfers in and/or out of Level 3	(5,270,305)	-
Balance as of September 30, 2008	\$4,768,750	-

### **Futures**

The Fund may purchase and sell financial futures contracts and options on those contracts. The Fund may invest in contracts based on financial instruments such as U.S. Treasury Bonds or Notes, or on securities indices such as the Standard & Poor's 500 Index, in order to hedge against a decline in the value of securities owned by the Fund.

Initial margin deposits required upon entering into futures contracts are satisfied by the delivery of specific securities or cash as collateral to the broker (the Fund's agent in acquiring the futures position). If the position is closed out by an opposite position prior to the settlement date of the futures contract, a final determination of variation margin is made, cash is required to be paid to or released by the broker, and the Fund realizes a gain or loss.

When the Fund sells a futures contract based on a financial instrument, the Fund becomes obligated to deliver that kind of instrument at an agreed upon date for a specified price. The Fund realizes a gain or loss depending on whether the price of an offsetting purchase is less or more than the price of the initial sale, or on whether the price of an offsetting sale is more or less than the price of the initial purchase. The Fund could be exposed to risks if it could not close out futures positions because of an illiquid secondary market or the inability of counterparties to meet the terms of their contracts. Futures contracts are valued at the quoted daily settlement prices established by the exchange on which they trade.

### **Swap contracts**

The Fund may enter into swap transactions in order to hedge the value of the Fund's portfolio against interest rate fluctuations or to enhance the Fund's income or to manage the Fund's exposure to credit or market risk.

Credit default swaps involve the exchange of a fixed rate premium for protection against the loss in value of an underlying debt instrument in the event of a defined credit event (such as payment default or bankruptcy). Under the terms of the swap, one party acts as a "guarantor" receiving a periodic payment that is a fixed percentage applied to a notional principal amount. In return the party agrees to purchase the notional amount of the underlying instrument, at par, if a credit event occurs during the term of the swap. The Fund may enter into credit default swaps in which either it or its counterparty act as guarantors. By acting as the guarantor of a swap, the Fund assumes the market and credit risk of the underlying instrument including liquidity and loss of value.

The Fund records changes in the value of the swap as unrealized gains or losses on swap contracts. Net periodic payments accrued but not yet received (paid) are included in change in the unrealized appreciation/depreciation. Accrued interest income and interest expense on the swap contracts are recorded as realized gain (loss). Any upfront payments received by the Fund are amortized to maturity.

Swap contracts are subject to risks related to the counterparty's ability to perform under the contract, and may decline in value if the counterparty's creditworthiness deteriorates. The risks may arise from unanticipated movement in interest rates. The Fund may also suffer losses if it is unable to terminate outstanding swap contracts or reduce its exposure through offsetting transactions.

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ITEM 2. CONTROLS AND PROCEDURES.

(a) Based upon their evaluation of the registrant's disclosure controls and procedures as conducted within 90 days of the filing date of this Form N-Q, the registrant's principal executive officer and principal accounting officer have concluded that those disclosure controls and procedures provide reasonable assurance that the material information required to be disclosed by the registrant on this report is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms.

(b) There were no changes in the registrant's internal control over financial reporting that occurred during the registrant's last fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

ITEM 3. EXHIBITS.

Separate certifications for the registrant's principal executive officer and principal accounting officer, as required by Rule 30a-2(a) under the Investment Company Act of 1940, are attached.

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SIGNATURES

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.

John Hancock Tax-Advantaged Dividend Income Fund

By: /s/ Keith F. Hartstein

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Keith F. Hartstein  
President and Chief Executive Officer

Date: November 24, 2008

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/ Keith F. Hartstein

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Keith F. Hartstein  
President and Chief Executive Officer

Date: November 24, 2008

By: /s/ Charles A. Rizzo

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Charles A. Rizzo

Chief Financial Officer

Date: November 24, 2008

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