JOHN HANCOCK TAX-ADVANTAGED DIVIDEND INCOME FUND
Form N-CSR
August 30, 2004

August 25, 2004

EDGAR

United States Securities and
Exchange Commission
Judiciary Plaza
450 Fifth Street, N.W.
Washington, D.C. 20549

Re: Form N-CSR
John Hancock Tax-Advantaged Dividend Income Fund (the "Registrant")

File No. 811-21416

Ladies and Gentlemen:

Enclosed herewith for filing pursuant to the Investment Company Act of 1940 and the Securities Exchange Act of 1934 is the Registrant's Form N-CSR filing for the period ending June 30, 2004.

If you have any questions or comments regarding this filing, please contact the undersigned at (617) 375-1513.

Sincerely,

/s/Alfred P. Ouellette
Alfred P. Ouellette
Senior Attorney and Assistant Secretary

ITEM 1. REPORT TO SHAREHOLDERS.

JOHN HANCOCK
Tax-Advantaged Dividend Income Fund

6.30.2004

Semiannual Report

[A 2" x 1" John Hancock (Signature)/John Hancock Funds logo in lower, center middle of page. A tag line below reads "JOHN HANCOCK FUNDS."]

[A photo of James A. Shepherdson, Chairman, President and Chief Executive Officer of John Hancock Funds, LLC flush left next to first paragraph.]

WELCOME

Table of contents

To Our Shareholders,

I am pleased to be writing to you as Chairman, President and Chief Executive Officer of John Hancock Funds, LLC.

As you may know, John Hancock Financial Services, Inc. -- the parent company of John Hancock Funds -- was acquired by Manulife Financial Corporation on April 28, 2004. Although this change has no impact on the mutual funds you have invested in, it did bring with it some changes in the executive-level management of John Hancock Funds. Specifically, Maureen Ford Goldfarb has decided to step down as Chairman, President and Chief Executive Officer of John Hancock Funds, LLC in order to pursue personal interests, and I was named her replacement. Since her appointment in January 2000, Maureen has provided John Hancock Funds with strong leadership and steady guidance through several years of extremely turbulent market and industry conditions.

Additionally, on May 12, 2004, your fund's Board of Trustees appointed me to the roles of Trustee, President and Chief Executive Officer of your fund. On June 15, 2004, the board also appointed Charles L. Ladner as independent Chairman of the Board of Trustees, a position previously held by Ms. Goldfarb. This appointment came just in advance of new SEC regulations requiring all mutual funds to have independent chairmen.

As to our backgrounds, I have been in the investment business for over 25 years, most recently as President of Retirement Services at John Hancock Financial Services. My responsibilities included developing and directing the sale of John Hancock's variable and fixed annuity products through a diverse distribution network of banks and broker-dealers -- including wirehouses, regional brokerage houses and financial planners.

Mr. Ladner has served as an independent member of John Hancock Funds' Board of Trustees since 1992 and formerly held the position of Senior Vice President and Chief Financial Officer of UGI Corporation, a public utility holding company in Valley Forge, PA, until his retirement in 1998. He brings a wealth of knowledge, experience and leadership and we are delighted to have him serve as Chairman.

Although there has been change in executive-level management, the one thing that never wavers is John Hancock Funds' commitment to placing the needs of our shareholders above all else. We are all dedicated to the task of working with you and your financial advisor to help you reach your long-term financial goals.

Sincerely,

/S/ JAMES A. SHEPHERDSON

James A. Shepherdson,

Chief Executive Officer

This commentary reflects the CEO's views as of June 30, 2004. They are subject to change at any time.

YOUR FUND
AT A GLANCE

The Fund seeks to provide a high level of after-tax total return from dividend income and capital appreciation. To meet its objectives, the Fund normally invests at least 80% of its assets in dividend-paying common and preferred securities that the Adviser believes are eligible to pay dividends which qualify for U.S. taxation rates applicable to long-term capital gains, which currently are taxed at a maximum rate of 15%.

Over the period

* The stock market advanced only slightly amid concerns about rising interest rates and geopolitical concerns.

* Financial stocks underperformed, but utility stocks held up better.

* Volatility aided the Fund's ability to pick up attractively valued companies in its initial stages of operation.

[Bar chart with heading "John Hancock Tax-Advantaged Dividend Income Fund." Under the heading is a note that reads "Fund performance for the six months ended June 30, 2004." The chart is scaled in increments of 2% with -4% at the bottom and 0% at the top. The bar represents the -3.50% total return for the Fund. A note below the chart reads "The total return for the Fund is at net asset value with all distributions reinvested."]

Top 10 issuers

2.7%	Bank of America Corp.
2.1%	Dominion Resources, Inc.
2.1%	Progress Energy, Inc.
2.1%	DTE Energy Co.

2.1%	Union Planters Corp.
2.1%	Ameren Corp.
2.0%	NSTAR
2.0%	Royal Bank of Scotland Group Plc
2.0%	Peoples Energy Corp.
2.0%	Comerica, Inc.

As a percentage of net assets plus the value of preferred shares on June 30, 2004.

1

BY GREGORY K. PHELPS, JAMES K. SCHMIDT, CFA, MARK T. MALONEY, AND LISA A. WELCH FOR THE PORTFOLIO MANAGEMENT TEAM

MANAGERS'
REPORT

JOHN HANCOCK
Tax-Advantaged Dividend Income Fund

Utility and financial common stocks -- the two primary areas of emphasis of John Hancock Tax-Advantaged Dividend Income Fund -- traveled a bumpy road from the inception of the Fund on February 27, 2004 through June 30, 2004. They, like the entire stock market, made little headway as investors were buffeted by the positive news of a strengthening economy on the one hand, and by a list of growing concerns over interest rates, inflation and global political conditions on the other. Financial stocks initially performed reasonably well, bolstered by a string of mergers. But the group wound up underperforming both the broad market and utility stocks during the period because investors viewed them as especially sensitive to rising interest rates, which the Federal Reserve Board raised on June 30th as expected. Utility stocks also battled against the weight of interest rate hike fears. But other more positive developments -- including their ongoing efforts to repair their balance sheets by selling unprofitable, unregulated subsidiaries and reducing debt -- helped stabilize their returns. The performance of preferred stocks -- which are a secondary focus of the Fund -- was lackluster as they were range-bound by changing expectations about the economy, inflation and interest rates.

"Utility and financial com
mon stocks...traveled a
bumpy road from the
inception of the Fund..."

FUND PERFORMANCE

From its inception on February 27, 2004 through June 30, 2004, John Hancock Tax-Advantaged Dividend Income Fund returned -3.50% at net asset value. Over the same period, the Standard & Poor's 500 Index returned 0.19%.

BUILDING THE PORTFOLIO

Although the volatility that characterized the stock market during the initial stages of investing the portfolio was

2

challenging over the short term, it held a silver lining of sorts for investors with a long-term view. It afforded us the opportunity to take a gradual approach to finding companies we liked at prices we felt were below their fair value.

[Photos of Greg Phelps, Jim Schmidt, Mark Maloney and Lisa Welch flush right at top of page.]

Of particular interest to us during the start-up stage of the Fund were utility common stocks, which benefited from slow but steady improvement in balance sheets and a number of dividend increases across the industry, as management responded to better financial conditions and the new federal 15% tax on qualified dividends. Given that backdrop, we invested in companies such as Dominion Resources, which was one of our best performers during the period. The company, a fully integrated gas and electric holding company, benefited from strong results from its regulated electric operation, as well as from improving trends in its gas operations due to rising energy prices. Another positive contributor was KeySpan Corp., one of the largest natural gas distribution utilities in the country. Our holdings in KeySpan were boosted by a combination of rising energy prices and the company's efforts to sell assets and pay down debt, which was seen by many investors as a precursor to higher dividends down the road. Higher oil and natural gas prices also helped boost our stake in Peoples Energy Corp., a holding company whose income is derived principally from its regulated utility subsidiaries, which are primarily engaged in the sale and transportation of natural gas to residential, commercial and industrial customers in Chicago and the northeast section of Illinois.

FINANCIALS: SEARCH FOR DIVIDENDS

Within the banking/financial sector, we built a substantial stake in banks such as Bank of America, which also was one of our best performers during the period. The number two U.S. bank was boosted in part by its announcement of a two-for-one stock split and a 12.5% increase in its quarterly dividend. Banks that were targeted in mergers -- such as the acquisition of Community First Bankshares by Bancwest Corporation -- also performed well. The current merger renaissance reaffirms two of

3

our theses: that banks perceive there to be value in bank branch networks and that there are still too many banks -- currently around 8,000 -- that will inevitably consolidate to a more workable level of about 4,000 nationwide.

[Table at top left-hand side of page entitled "Top five industry groups 1." The first listing is Utilities 50%, the second is Banks--United States 26%, the third is Broker services 3%, the fourth is Finance 3% and the fifth is Oil & gas 2%.]

PREFERRED STOCKS LACKLUSTER

Most of our preferred stock holdings got caught up in the interest rate malaise that troubled the group during the period. Even high-quality holdings that produced good dividends -- such as Royal Bank of Scotland -- couldn't overcome the challenges that daunted the sector. But a few were able to buck the trend. Our holdings in Xcel Energy, for example, performed relatively well. We were able to buy the stock when it was selling at a significant discount to its par value. Since then, it has risen in response to a credit rating upgrade and its attractive level of tax-advantaged dividends.

[Pie chart at middle of page with heading "Portfolio diversification 1." The chart is divided into three sections (from top to left): Common stocks 70%, Preferred stocks 19% and Short-term investments & other 11%.]

OUTLOOK

On the very last day of the Fund's semiannual period, the Fed -- as anticipated -- raised short-term rates by one-quarter of a percentage point. In doing so, the Fed also reassured investors by saying it would continue to maintain a "measured" approach to future rate hikes, erasing current worries about rates moving too high too fast. Given those comments, plus the fact that there are some signs that the economy is already beginning to cool -- including reduced auto sales and mortgage refinancing -- we think that future interest rate hikes will be small and gradual. To the extent that the many economic and geopolitical crosscurrents remain unsettled as they are currently, the higher-yielding tax-advantaged common and preferred

4

stocks that the Fund emphasizes should benefit. We continue to be optimistic about the prospects for financial stocks. The banking sector continues to generate a lot of excess capital. We believe that one of the uses of this excess capital will be to continue paying dividends to bank shareholders. We also think that large, diversified banks will perform well, especially in comparison to the smaller regionals that focus on traditional banking activities. Commercial loan growth remains sluggish, but we think it could pick up later this year. Finally, given our belief that "mergers beget mergers," we believe that merger activity will continue to be strong, especially among banks. As for utility stocks, our outlook is favorable. The utility companies' improving financial health is likely to continue to catch the eye of investors seeking dividend-producing stocks.

[Table at top of page entitled "SCORECARD." The header for the left column is "INVESTMENT" and the header for the right column is "PERIOD'S PERFORMANCE...AND WHAT'S BEHIND THE NUMBERS." The first listing is Dominion Resources followed by an up arrow with the phrase "Rising energy prices boost financial performance." The second listing is Bank of America followed by an up arrow with the phrase "Stock split and dividend hike help stock price." The third listing is Royal Bank of Scotland followed by a down arrow with the phrase "Preferred stock market malaise weighs on share price."]

"We believe that one of
the uses of this excess
capital will be to continue
paying dividends to
bank shareholders."

This commentary reflects the views of the portfolio management team through the end of the Fund's period discussed in this report. The managers' statements reflect their own opinions. As such, they are in no way guarantees of future events, and are not intended to be used as investment advice or a recommendation regarding any specific security. They are also subject to change at any time as market and other conditions warrant.

The Fund normally will invest at least 25% of its managed assets in securities of companies in each of the utilities and financial services industries. Such an investment concentration makes the Fund more susceptible than a broader diversified fund to factors adversely affecting the utilities and financial industries. Sector investing is subject to greater risks than the market as a whole.

1 As a percentage of the Fund's portfolio on June 30, 2004.

5

FINANCIAL STATEMENTS

FUND'S
INVESTMENTS

Securities owned
by the Fund on
June 30, 2004
(unaudited)

This schedule is divided into three main categories: common stocks, preferred stocks and short-term investments. Common stocks and preferred stocks are further broken down by industry group. Short-term investments, which represent the Fund's cash position, are listed last.

ISSUER	SH
COMMON STOCKS 105.87% (Cost $813,984,813)	
Banks -- United States 36.06%	
AmSouth Bancorp.	775
Bank of America Corp.	365
Bank One Corp.	215
BB&T Corp.	495
Colonial BancGroup, Inc. (The)	275
Comerica, Inc.	411
Community First Bankshares, Inc.	180
F.N.B. Corp.	190
First Horizon National Corp.	290
FirstMerit Corp.	365
Hudson United Bancorp.	195
KeyCorp	749
National City Corp.	505
PNC Financial Services Group	335
Susquehanna Bancshares, Inc.	275
U.S. Bancorp	582
Union Planters Corp.	795
Wachovia Corp.	230
Wells Fargo & Co.	130

Whitney Holding Corp.	115
Finance 3.57%	
Citigroup, Inc.	145
People's Bank	150
Washington Mutual, Inc.	408
Oil & Gas 1.71%	
BP Plc, American Depositary Receipts (ADR) (United Kingdom)	25
ChevronTexaco Corp.	72
Shell Transport & Trading Co. Plc, ADR (United Kingdom)	110
Telecommunications 1.99%	
SBC Communications, Inc.	605
Verizon Communications, Inc.	14

See notes to
financial statements.

6

FINANCIAL STATEMENTS

ISSUER	SH
Utilities 62.54%	
Alliant Energy Corp.	50
Ameren Corp.	551
American Electric Power Co., Inc.	264
Atmos Energy Corp.	658
Black Hills Corp.	307
CH Energy Group, Inc.	277
Cinergy Corp.	528
Consolidated Edison, Inc.	525
Dominion Resources, Inc.	385
DTE Energy Co.	475
Duke Energy Corp.	423
Empire District Electric Co. (The)	428
Energy East Corp.	150
Entergy Corp.	10
FPL Group, Inc.	9
Great Plains Energy, Inc.	18
KeySpan Corp.	565
National Fuel Gas Co.	368
NiSource, Inc.	335
Northwest Natural Gas Co.	248
NSTAR	488
OGE Energy Corp.	867
ONEOK, Inc.	716
Peoples Energy Corp.	537
Piedmont Natural Gas Co., Inc.	90
Pinnacle West Capital Corp.	230
Progress Energy, Inc.	549
Public Service Enterprise Group, Inc.	444
Puget Energy, Inc.	598
SCANA Corp.	241
Scottish Power Plc, ADR (United Kingdom)	533

Southern Co. (The)	516
TECO Energy, Inc.	40
Vectren Corp.	595
Westar Energy, Inc.	425
WGL Holdings, Inc.	380
WPS Resources Corp.	373
Xcel Energy, Inc.	491

See notes to
financial statements.

7

FINANCIAL STATEMENTS

ISSUER, DESCRIPTION	CREDIT RATING*	SH
PREFERRED STOCKS 28.59% (Cost $239,528,211)		
Banks -- Foreign 3.29%		
Abbey National Plc, 7.375%, Depositary Shares, Ser B (United Kingdom)	A-	84
Royal Bank of Scotland Group Plc, 5.75%, Ser B (United Kingdom)	A	1,060
Banks -- United States 3.36%		
ABN AMRO Capital Funding Trust V, 5.90%	A	140
ABN AMRO Capital Funding Trust VII, 6.08%	A	950
J.P. Morgan Chase Capital XI, 5.875%	A-	65
Broker Services 4.82%		
Bear Stearns Cos., Inc. (The), 5.49%, Depositary Shares, Ser G	BBB	249
Bear Stearns Cos., Inc. (The), 5.72%, Depositary Shares, Ser F	BBB	126
Lehman Brothers Holdings, Inc., 5.67%, Depositary Shares, Ser D	BBB+	56
Lehman Brothers Holdings, Inc., 5.94%, Depositary Shares, Ser C	BBB+	254
Lehman Brothers Holdings, Inc., 6.50%, Depositary Shares, Ser F	BBB+	193
Finance 0.29%		
General Electric Capital Corp., 6.10%	AAA	38
SLM Corp., 6.97%, Ser A	BBB+	24
Government -- U.S. Agencies 1.45%		
Fannie Mae, 4.75%, Ser M	AA-	20
Fannie Mae, 5.10%, Ser E	AA-	24
Fannie Mae, 5.125%, Ser L	AA-	124
Fannie Mae, 5.375%, Ser I	AA-	76
Insurance 0.64%		
ING Groep N.V., 6.20% (Netherlands)	A-	105
RenaissanceRe Holdings Ltd., 6.08%, Ser C (Bermuda)	BBB+	112
Oil & Gas 1.72%		
Devon Energy Corp., 6.49%, Ser A	BBB-	130

Utilities 13.02%		
Alabama Power Co., 5.20%	BBB+	145
Alabama Power Co., 5.30% (Class A)	BBB+	213
Carolina Power & Light Co., $5.44	BB+	110
Connecticut Light & Power Co., $3.24, Ser 68G	BBB-	11
Connecticut Light & Power Co., 5.28%, Ser 1967	BBB-	18

See notes to
financial statements.

8

FINANCIAL STATEMENTS

ISSUER, DESCRIPTION	CREDIT RATING*	SH
Utilities (continued)		
Connecticut Light & Power Co., 6.56%, Ser 1968	BBB-	5
DTE Energy Co., 8.75%, Conv	BBB	187
Duquesne Light Co., 6.50%	BB+	200
El Paso Tennessee Pipeline Co., 8.25%, Ser A	CCC-	300
Entergy Arkansas, Inc., 4.56%	BB+	8
Entergy Arkansas, Inc., 4.56%, Ser 1965	BB+	9
Entergy Arkansas, Inc., $6.08	BB+	9
Entergy Gulf States, Inc., $7.56	BB	28
Entergy Louisiana, Inc., 5.16%	BB+	12
Entergy Mississippi, Inc., 4.92%	BB+	7
FPL Group Capital Trust I, 5.875%	BBB+	348
Interstate Power & Light Co., 7.10%, Ser C	BBB-	15
Interstate Power & Light Co., 8.375%, Ser B	BBB-	233
KeySpan Corp., 8.75%, Conv	A	27
Monongahela Power Co., $7.73, Ser L	CCC+	33
Northern Indiana Public Service Co., 4.50%	BB+	28
Northern Indiana Public Service Co., 4.88%	BB+	7
Ohio Edison Co., 4.56%	BB	15
Public Service Electric & Gas Co., 5.05%, Ser D	BB+	11
Public Service Electric & Gas Co., 5.28%, Ser E	BB+	21
South Carolina Electric & Gas Co., 6.52%	Baa1	20
Southern Union Co., 7.55%	BB+	305
Union Electric Co., $4.50	BBB	10
Wisconsin Power & Light Co., 4.50%	BBB	4
Xcel Energy, Inc., $4.08, Ser B	BB+	66
Xcel Energy, Inc., $4.56, Ser G		53

ISSUER, DESCRIPTION, MATURITY DATE	INTEREST RATE	CREDIT RATING*	PAR V (000S O
SHORT-TERM INVESTMENTS 17.15%			
(Cost $130,600,000)			
Government -- U.S. Agencies 17.15%			
Federal Home Loan Bank, Disc Note 07-01-04	1.250%	Aaa	$130
TOTAL INVESTMENTS 151.61%			

OTHER ASSETS AND LIABILITIES, NET (51.61%)

TOTAL NET ASSETS 100.00%

See notes to
financial statements.

9

FINANCIAL STATEMENTS

Notes to Schedule of Investments

* Credit ratings are unaudited and are rated by Moody's Investors Service where Standard and Poor's ratings are not available.

Parenthetical disclosure of a foreign country in the security description represents country of a foreign issuer.

The percentage shown for each investment category is the total value of that category as a percentage of the net assets of the Fund.

See notes to
financial statements.

10

FINANCIAL STATEMENTS

ASSETS AND
LIABILITIES

June 30, 2004
(unaudited)

This Statement of Assets and Liabilities is the Fund's balance sheet. It shows the value of what the Fund owns, is due and owes. You'll also find the net asset value for each common share.

ASSETS	
Investments at value (cost $1,184,113,024)	$1,154,494,908
Cash	77,871
Cash segregated for futures contracts	340,000
Receivable for investments sold	2,000,953

Dividends receivable	3,163,912
Other assets	682
Total assets	1,160,078,326
LIABILITIES	
Payable for investments purchased	17,324,495
Payable for futures variation margin	201,563
Payable to affiliates	
Management fees	17,071
Other	24,658
Other payables and accrued expenses	977,670
Total liabilities	18,545,457
Auction Preferred Shares (APS), at value, unlimited number of shares of beneficial interest authorized with no par value, 15,200 shares issued, liquidation preference of $25,000 per share	380,020,413
NET ASSETS	
Common shares capital paid-in	798,588,002
Accumulated net realized loss on investments and financial futures contracts	(8,258,092)
Net unrealized depreciation of investments and financial futures contracts	(30,006,586)
Accumulated net investment income	1,189,132
Net assets	$761,512,456
NET ASSET VALUE PER COMMON SHARE	
Based on 42,077,487 shares of beneficial interest outstanding -- unlimited number of shares authorized with no par value	$18.10

1 Inception period from 2-27-04 through 6-30-04. Unaudited.

2 Includes accumulated net investment income of $1,189,132.

See notes to financial statements.

11

FINANCIAL STATEMENTS

OPERATIONS

For the period ended June 30, 2004 (unaudited) 1

This Statement of Operations summarizes the Fund's investment income earned and expenses incurred in operating the Fund.

It also shows net
gains (losses) for
the period stated.

INVESTMENT INCOME	
Dividends	$16,035,475
Interest	583,319
Total investment income	16,618,794
EXPENSES	
Investment management fees	2,379,383
Custodian fees	177,785
APS auction fees	114,760
Accounting and legal services fees	81,683
Professional fees	76,638
Printing	64,769
Transfer agent fees	50,664
Organization expense	43,000
Trustees' fees	18,194
Miscellaneous	9,002
Registration and filing fees	108
Total expenses	3,015,986
Less expense reductions	(634,502)
Net expenses	2,381,484
Net investment income	14,237,310
REALIZED AND UNREALIZED GAIN (LOSS)	
Net realized gain (loss) on	
Investments	(8,880,854)
Financial futures contracts	622,762
Change in net unrealized appreciation (depreciation) of	
Investments	(29,618,116)
Financial futures contracts	(388,470)
Net realized and unrealized loss	(38,264,678)
Distribution to APS	(841,499)
Decrease in net assets from operations	($24,868,867)

1 Inception period from 2-27-04 through 6-30-04.

See notes to
financial statements.

12

FINANCIAL STATEMENTS

CHANGES IN
NET ASSETS

This Statement of

Changes in Net Assets shows how the value of the Fund's net assets has changed since inception of the Fund. The difference reflects earnings less expenses, any investment gains and losses, distributions paid to shareholders and any increase or decrease due to the issuance of common shares.

	PERIOD ENDED 6-30-04 1
INCREASE (DECREASE) IN NET ASSETS	
From operations	
Net investment income	$14,237,310
Net realized loss	(8,258,092)
Change in net unrealized depreciation	(30,006,586)
Distributions to APS	(841,499)
Decrease in net assets resulting from operations	(24,868,867)
Distributions to common shareholders	
From net investment income	(12,206,679)
From Fund share transactions	798,588,002
NET ASSETS	
End of period 2	$761,512,456

1 Inception period from 2-27-04 through 6-30-04. Unaudited.

2 Includes accumulated net investment income of $1,189,132.

See notes to financial statements.

13

FINANCIAL HIGHLIGHTS

FINANCIAL HIGHLIGHTS

COMMON SHARES

The Financial Highlights show how the Fund's net asset value for a share has changed since inception of the Fund.

PERIOD ENDED	6-30-04 1
PER SHARE OPERATING PERFORMANCE	
Net asset value, beginning of period	$19.10 2
Net investment income 3	0.35
Net realized and unrealized loss on investments	(0.91)
Distributions to APS	(0.03)
Total from investment operations	(0.59)
Less distributions to common shareholders	
From net investment income	(0.29)
Capital charges	
Offering costs related to common shares	(0.02)
Offering costs and underwriting discounts related to APS	(0.10)
Net asset value, end of period	$18.10
Per share market value, end of period	$16.12
Total return at market value 4,5 (%)	(18.05) 6
RATIOS AND SUPPLEMENTAL DATA	
Net assets applicable to common shares, end of period (in millions)	$762
Ratio of expenses to average net assets 7 (%)	0.93 8
Ratio of adjusted expenses to average net assets 9 (%)	1.18 8
Ratio of net investment income to average net assets 10 (%)	5.56 8
Portfolio turnover (%)	26
SENIOR SECURITIES	
Total value of APS outstanding (in millions)	$380
Involuntary liquidation preference per unit (in thousands)	$25
Average market value per unit (in thousands)	$25
Asset coverage per unit 11	$73,814

1 Inception period from 2-27-04 through 6-30-04. Unaudited.

2 Reflects the deduction of $0.90 per share sales load.

3 Based on the average of the shares outstanding.

4 Assumes dividend reinvestment and a purchase at $20.01 per share on the inception date and a sale at the current market price on the last day of the period.

5 Total return would have been lower had certain expenses not been reduced during the period shown.

6 Not annualized.

7 Ratio calculated on the basis of expenses relative to the average net assets of common shares. Without the exclusion of preferred shares, the annualized ratio of expenses would have been 0.75%.

8 Annualized.

9 Ratio calculated on the basis of expenses relative to the average net assets of common shares, that does not take into consideration expense reductions during the period shown. Without the exclusion of preferred shares, the annualized adjusted ratio of expenses would have been 0.95%.

10 Ratio calculated on the basis of net investment income relative to the average net assets of common shares. Without the exclusion of preferred shares, the annualized ratio of net investment income would

have been 4.49%.

11 Calculated by subtracting the Fund's total liabilities from the Fund's total assets and dividing that amount by the number of APS outstanding as of the applicable 1940 Act Evaluation Date, which may differ from the financial reporting date.

See notes to financial statements.

14

NOTES TO STATEMENTS

Unaudited

NOTE A
Accounting policies

John Hancock Tax-Advantaged Dividend Income Fund (the "Fund") is a diversified closed-end management investment company registered under the Investment Company Act of 1940.

Significant accounting policies of the Fund are as follows:

Valuation of investments

Securities in the Fund's portfolio are valued on the basis of market quotations, valuations provided by independent pricing services or at fair value as determined in good faith in accordance with procedures approved by the Trustees. Short-term debt investments maturing within 60 days are valued at amortized cost, which approximates market value. The Fund determines the net asset value of the common shares each business day.

Investment transactions

Investment transactions are recorded as of the date of purchase, sale or maturity. Net realized gains and losses on sales of investments are determined on the identified cost basis.

Discount and premium on securities

The Fund accretes discount and amortizes premium from par value on securities from either the date of issue or the date of purchase over the life of the security.

Expenses

The majority of expenses are directly identifiable to an individual fund. Expenses that are not readily identifiable to a specific fund are allocated in such a manner as deemed equitable, taking into consideration, among other things, the nature and type of expense and the relative sizes of the funds.

Organization expense and offering costs

Expenses incurred in connection with the organization of the Fund, which amounted to $43,000, have been borne by the Fund. Offering costs of $867,000 related to common shares and offering costs of $425,000 incurred in connection with the preferred shares were charged to the Fund's capital paid-in.

Financial futures contracts

The Fund may buy and sell financial futures contracts. Buying futures tends to increase the Fund's exposure to the underlying instrument. Selling futures tends to decrease the Fund's exposure to the underlying instrument or hedge other Fund's instruments. At the time the Fund enters into financial futures contracts, it is required to deposit with its custodian a specified amount of cash or U.S. government securities, known as "initial margin," equal to a certain percentage of the value of the financial futures contract being traded. Each day, the

15

futures contract is valued at the official settlement price of the board of trade or U.S. commodities exchange on which it trades. Subsequent payments to and from the broker, known as "variation margin," are made on a daily basis as the market price of the financial futures contract fluctuates. Daily variation margin adjustments arising from this "mark to market" are recorded by the Fund as unrealized gains or losses.

When the contracts are closed, the Fund recognizes a gain or loss. Risks of entering into financial futures contracts include the possibility that there may be an illiquid market and/or that a change in the value of the contracts may not correlate with changes in the value of the underlying securities. In addition, the Fund could be prevented from opening or realizing the benefits of closing out financial futures positions because of position limits or limits on daily price fluctuation imposed by an exchange.

For federal income tax purposes, the amount, character and timing of the Fund's gains and/or losses can be affected as a result of financial futures contracts. On June 30, 2004, the Fund had deposited $340,000 in a segregated account to cover margin requirements on open financial futures contracts.

The Fund had the following financial futures contracts open on June 30, 2004:

OPEN CONTRACTS	NUMBER OF CONTRACTS	POSITION	EXPIRATION	DEPRECIATION
U.S. Treasury 10-year Note	150	Short	Sep 04	($193,238)
U.S. Treasury Bond	100	Short	Sep 04	(195,232)
				($388,470)

Federal income taxes

The Fund qualifies as a "regulated investment company" by complying with the applicable provisions of the Internal Revenue Code and will not be subject to federal income tax on taxable income that is distributed to shareholders. Therefore, no federal income tax provision is required.

Dividends, interest

and distributions

Dividend income on investment securities is recorded on the ex-dividend date or, in the case of some foreign securities, on the date thereafter when the Fund identifies the dividend. Interest income on investment securities is recorded on the accrual basis. Foreign income may be subject to foreign withholding taxes, which are accrued as applicable.

The Fund records distributions to shareholders from net investment income and net realized gains on the ex-dividend date. Such distributions, on a tax basis, are determined in conformity with income tax regulations, which may differ from accounting principles generally accepted in the United States of America. Distributions in excess of tax basis earnings and profits, if any, are reported in the Fund's financial statements as a return of capital.

Use of estimates

The preparation of these financial statements, in accordance with accounting principles generally accepted in the United States of America, incorporates estimates made by management in determining the reported amount of assets, liabilities, revenues and expenses of the Fund. Actual results could differ from these estimates.

NOTE B
Management fee and
transactions with
affiliates and others

The Fund has an investment management contract with John Hancock Advisers, LLC (the"Adviser"), a wholly owned subsidiary of John Hancock Financial Services, Inc. Under the investment management contract, the Fund pays a daily management fee to the Adviser at an annual rate of 0.75% of the Fund's average daily net asset value and the value attributable to the Auction Preferred Shares (collectively, "managed assets").

The Adviser has contractually agreed to limit the Fund's management fee to the following: 0.55% of the Fund's average daily managed assets until the fifth anniversary of the commencement of the Fund's operations, 0.60% of such assets in the sixth year, 0.65% of such assets in the seventh year and 0.70% of average daily managed assets in the eighth year. Accordingly, the expense reductions related to the reduction in the management fee amounted to $634,502 for the period ended June 30, 2004. After the eighth year, the Adviser will no longer waive a portion of the management fee.

The Fund has an agreement with the Adviser to perform necessary tax, accounting and legal services for the Fund. The compensation for the period amounted to $81,683. The Fund also paid the Adviser the amount of $110 for certain publishing services, included in the printing fees.

Mr. James A. Shepherdson is a director and/or officer of the Adviser and/or its affiliates, as well as Trustee of the Fund. The compensation of unaffiliated Trustees is borne by the Fund. The unaffiliated Trustees may elect to defer, for tax purposes, their receipt of this compensation under the John Hancock Group of Funds Deferred Compensation Plan. The Fund makes investments into other John Hancock funds, as applicable, to cover its liability for the deferred compensation. Investments to cover the Fund's deferred compensation liability are recorded on the Fund's books as an other asset. The deferred compensation liability and the related other asset are always equal and are marked to market on a periodic basis to reflect any income earned by the investments, as well as any unrealized gains or losses. The Deferred Compensation Plan investments had no impact on the operations of the Fund.

17

NOTE C
Fund share transactions

Common shares

This listing illustrates the number of Fund shares sold, offering costs and underwriting discount charged to capital paid-in, distributions reinvestments, reclassification of the Fund's capital accounts and the number of common shares outstanding at the beginning and end of the period, along with the corresponding dollar value.

	PERIOD ENDED 6-30-04 1	
	SHARES	AMOUNT
Shares sold	42,077,487	$803,680,002 2
Offering cost related to common shares	--	(867,000)
Offering costs and underwriting discount related to Auction Preferred Shares	--	(4,225,000)
Net increase	42,077,487	$798,588,002

1 Inception period from 2-27-04 through 6-30-04.

2 Net of $0.90 per share sales load of the initial offering price of $20.00 per share.

Auction preferred shares

The Fund issued total of 15,200 Auction Preferred Shares (3,800 shares of Series M, 3,800 shares of Series W, 3,800 of shares of Series TH and 3,800 shares of Series F) (collectively, the "APS") on May 3, 2004, in a public offering. The underwriting discount of $3,800,000 has been charged to capital paid-in of common shares.

Dividends on the APS, which accrue daily, are cumulative at a rate that was established at the offering of the APS and has been reset every 7 days thereafter by an auction (except for the Series TH, for which the initial reset date will be October 28, 2004). Dividend rates on APS ranged from 1.15% to 1.60% during the period ended June 30, 2004. Accrued dividends on APS are included in the value of APS on the Fund's Statement of Assets and Liabilities.

The APS are redeemable at the option of the Fund, at a redemption price equal to $25,000 per share, plus accumulated and unpaid dividends on any dividend payment date. The APS are also subject to mandatory redemption at a redemption price equal to $25,000 per share, plus accumulated and unpaid dividends, if the Fund is in default on its asset coverage requirements with respect to the APS as defined in the Fund's by-laws. If the dividends on the APS shall remain unpaid in an amount equal to two full years' dividends, the holders of the APS, as a class, have the right to elect a majority of the Board of Trustees. In general, the holders of the APS and the common shareholders have equal voting rights of one vote per share, except that the holders of the APS, as a class, vote to elect two members of the Board of Trustees, and separate class votes are required on certain matters that affect the respective interests of the APS and common shareholders.

NOTE D
Investment
transactions

Purchases and proceeds from sales or maturities of securities, other than short-term securities and obligations of the U.S. government, during the period ended June 30, 2004, aggregated $1,238,235,488 and $175,841,610 respectively.

The cost of investments owned on June 30, 2004, including short-term investments, for federal income tax purposes, was $1,184,113,024. Gross unrealized appreciation and depreciation of investments aggregated $7,705,738 and $37,323,854, respectively, resulting in net unrealized depreciation of $29,618,116.

INVESTMENT
OBJECTIVE
AND POLICY

The Fund's investment objective is to provide a high level of after-tax total return from dividend income and capital appreciation.

Under normal market conditions, the Fund will invest at least 80% of its assets (net assets plus borrowings for investment purposes) in dividend-paying common and preferred securities that the Adviser believes at the time of acquisition are eligible to pay dividends which, for individual shareholders, qualify for U.S. federal income taxation at rates applicable to long-term capital gains, which currently are taxed at a maximum rate of 15% ("tax-advantaged dividends"). Tax-advantaged dividends generally include dividends from domestic corporations and dividends from foreign corporations that meet certain specified criteria. The Fund generally can pass the tax treatment of tax-advantaged dividends it receives through to its common shareholders.

DIVIDEND
REINVESTMENT PLAN

The Fund offers its shareholders a Dividend Reinvestment Plan (the "Plan"), which offers the opportunity to earn compounded yields. Each holder of common shares will automatically have all distributions of dividends and capital gains reinvested by Mellon Investor Services, as Plan Agent for the common shareholders (the "Plan Agent"), unless an election is made to receive cash. Holders of common shares who elect not to participate in the Plan will receive all distributions in cash, paid by check and mailed directly to the shareholder of record (or, if the common shares are held in street or other nominee name, then to the nominee) by the Plan Agent, as dividend-disbursing agent. Shareholders whose shares are held in the name of a broker or a nominee should contact the broker or nominee to determine whether and how they may participate in the Plan.

If the Fund declares a dividend payable either in common shares or in cash, non-participants will receive cash and participants in the Plan will receive the equivalent in common shares. If the market price of the common shares on the payment date of the dividend is equal to, or exceeds, their net asset value as determined on the payment date, participants will be issued common shares (out of authorized but unissued shares) at a value equal to the higher of net asset value or 95% of the market price. If the net asset value exceeds the market price of the common shares at such time, or if the Board of Trustees declares a dividend payable only in cash, the Plan Agent will, as agent for Plan participants, buy shares in the open market, on the New York Stock Exchange or elsewhere, for the participant's accounts. Such purchases will be made promptly after the payable date for such dividend and, in any event, prior to the next ex-dividend date after such date, except where necessary to comply with federal securities laws. If, before the Plan Agent has completed its purchases, the market price exceeds the net asset value of the common shares, the average per share purchase price paid by the Plan Agent may exceed the net asset value of the common shares, resulting in the acquisition of fewer shares than if the dividend had been paid in shares issued by the Fund.

Each participant will pay a pro rata share of brokerage commissions incurred with respect to the Plan Agent's open market purchases in connection with the reinvestment of dividends and distributions. The cost per share of the shares purchased for each participant's account will be the average cost, including brokerage commissions, of any shares purchased on the open market, plus the cost of any shares issued by the Fund. There will be no brokerage charges with respect to common shares issued directly by the Fund. There are no other

19

charges to participants for reinvesting dividends or capital gain distributions.

Participants in the Plan may withdraw from the Plan at any time by contacting the Plan Agent by telephone, in writing or by visiting the Plan Agent's Web site at www.melloninvestor.com. Such withdrawal will be effective immediately if received not less than ten days prior to a dividend record date; otherwise, it will be effective for all subsequent dividend record dates. When a participant withdraws from the Plan or upon termination of the Plan, as provided below, certificates for whole common shares credited to his or her account under the Plan will be issued and a cash payment will be made for any fraction of a share credited to such account.

The Plan Agent maintains each shareholder's account in the Plan and furnishes monthly written confirmations of all transactions in the accounts, including information needed by the shareholders for personal and tax records. The Plan Agent will hold common shares in the account of each Plan participant in non-certificated form in the name of the participant. Proxy material relating to the shareholders' meetings of the Fund will include those shares purchased, as well as shares held pursuant to the Plan.

The reinvestment of dividends and distributions will not relieve participants of any federal income tax that may be payable or required to be withheld on such dividends or distributions. Participants under the Plan will receive tax information annually. The amount of dividend to be reported on the 1099-DIV should be: (1) in the case of shares issued by the Fund, the fair market value of such shares on the dividend payment date and (2) in the case of shares purchased by the Plan Agent in the open market, the amount of cash used by the Plan Agent to purchase shares in the open market, including the amount of cash allocated to brokerage commissions paid on such purchases.

Experience under the Plan may indicate that changes are desirable. Accordingly, the Fund reserves the right to amend or terminate the Plan as applied to any dividend or distribution paid subsequent to written notice of the change sent to all shareholders of the Fund at least 90 days before the record date for the dividend or distribution. The Plan may be amended or terminated by the Plan Agent after at least 90 days' written notice to all shareholders of the Fund. All correspondence or additional information concerning the Plan should be directed to the Plan Agent, Mellon Bank, N.A., c/o Mellon Investor Services, P.O. Box 3338, South Hackensack, NJ 07606-1938 (telephone 1-800-852-0218).

SHAREHOLDER
COMMUNICATION
AND ASSISTANCE

If you have any questions concerning the Fund, we will be pleased to assist you. If you hold shares in your own name and not with a brokerage firm, please address all notices, correspondence, questions or other communications regarding the Fund to the transfer agent at:

Mellon Investor Services
85 Challenger Road
Overpeck Centre
Ridgefield Park, NJ 07660
Telephone 1-800-852-0218

If your shares are held with a brokerage firm, you should contact that firm, bank or other nominee for assistance.

FOR YOUR
INFORMATION

TRUSTEES

*Members of the Audit Committee

OFFICERS
James A. Shepherdson
President and
Chief Executive Officer

Richard A. Brown
Senior Vice President
and Chief Financial Officer

Susan S. Newton
Senior Vice President
and Secretary

William H. King
Vice President and Treasurer

INVESTMENT ADVISER

John Hancock Advisers, LLC
101 Huntington Avenue
Boston, Massachusetts 02199-7603

CUSTODIAN

The Bank of New York
One Wall Street
New York, New York 10286

TRANSFER AGENT AND DIVIDEND DISBURSER

Mellon Investor Services
85 Challenger Road
Overpeck Centre
Ridgefield Park, New Jersey 07660

TRANSFER AGENT
FOR APS

Deutsche Bank Trust Company Americas
280 Park Avenue
New York, New York 10017

LEGAL COUNSEL

Wilmer Cutler Pickering
Hale and Dorr LLP
60 State Street
Boston, Massachusetts 02109-1803

STOCK SYMBOL

Listed New York Stock Exchange:
HTD

For shareholder assistance refer to page 20

HOW TO
CONTACT US

On the Internet	www.jhfunds.com
By regular mail	Mellon Investor Services 85 Challenger Road Overpeck Centre Ridgefield Park, NJ 07660
Customer service representatives	1-800-852-0218
Portfolio commentary	1-800-344-7054
24-hour automated information	1-800-843-0090
TDD Line	1-800-231-5469

The Fund's proxy voting policies and procedures are available without charge, upon request:

By phone	1-800-225-5291
On the Fund's Web site	www.jhfunds.com/proxy
On the SEC's Web site	www.sec.gov

21

[A 1 1/2" x 1/2" John Hancock (Signature) logo in upper left hand corner. A tag line below reads "JOHN HANCOCK FUNDS."]

1-800-852-0218
1-843-0090 EASI-Line
1-800-231-5469 (TDD)
www.jhfunds.com

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P13SA 6/04
8/04

ITEM 2. CODE OF ETHICS.

Not applicable at this time.

ITEM 3. AUDIT COMMITTEE FINANCIAL EXPERT.

Not applicable at this time.

ITEM 4. PRINCIPAL ACCOUNTANT FEES AND SERVICES.

Not applicable at this time.

ITEM 5. AUDIT COMMITTEE OF LISTED REGISTRANTS.

Not applicable.

ITEM 6. SCHEDULE OF INVESTMENTS.

Not applicable.

ITEM 7. DISCLOSURE OF PROXY VOTING POLICIES AND PROCEDURES FOR CLOSED-END MANAGEMENT INVESTMENT COMPANIES.

Not applicable.

ITEM 8. PURCHASES OF EQUITY SECURITIES BY CLOSED-END MANAGEMENT INVESTMENT COMPANY AND AFFILIATED PURCHASERS.

Not applicable.

ITEM 9. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.

(a) The registrant has adopted procedures by which shareholders may recommend nominees to the registrant's Board of Trustees. A copy of the procedures is filed as an exhibit to this Form N-CSR. See attached "John Hancock Funds - Administration Committee Charter".

ITEM 10. 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-CSR, the registrant's principal executive officer and principal financial 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 most recent fiscal half-year (the registrant's second fiscal half-year in the case of an annual report) that have materially affected, or are reasonably likely to materially affect, the registrant's internal control over financial reporting.

ITEM 11. EXHIBITS.

(a)(1) Separate certifications for the registrant's principal executive officer and principal financial officer, as required by Section 302 of the Sarbanes-Oxley Act of 2002 and Rule 30a-2(a) under the Investment Company Act of 1940, are attached.

(b)(1) Separate certifications for the registrant's principal executive officer and principal financial officer, as required by 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, and Rule 30a-2(b) under the Investment Company Act of 1940, are attached. The certifications furnished pursuant to this paragraph are not deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, or otherwise subject to the liability of that section. Such certifications are not deemed to be incorporated by reference into any filing under the Securities Act of 1933 or the Securities Exchange Act of

1934, except to the extent that the Registrant specifically incorporates them by reference.

(c)(1) Submission of Matters to a Vote of Security Holders is attached. See attached "John Hancock Funds - Administration Committee Charter".

(c)(2) Contact person at the registrant.

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:

James A. Shepherdson
President and Chief Executive Officer

Date: August 25, 2004

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:

James A. Shepherdson
President and Chief Executive Officer

Date: August 25, 2004

By:

Richard A. Brown
Senior Vice President and Chief Financial Officer

Date: August 25, 2004