

Eaton Vance Tax-Advantaged Bond & Option Strategies Fund
Form N-CSR
February 26, 2014

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: 811-22380

Eaton Vance Tax-Advantaged Bond and Option Strategies Fund
(Exact Name of Registrant as Specified in Charter)

Two International Place, Boston, Massachusetts 02110
(Address of Principal Executive Offices)

Maureen A. Gemma

Two International Place, Boston, Massachusetts 02110

(Name and Address of Agent for Services)

(617) 482-8260

(Registrant's Telephone Number)

December 31

Date of Fiscal Year End

December 31, 2013

Date of Reporting Period

Item 1. Reports to Stockholders

Eaton Vance

Tax-Advantaged Bond and Option Strategies Fund
(EXD)

Annual Report

December 31, 2013

Commodity Futures Trading Commission Registration. Effective December 31, 2012, the Commodity Futures Trading Commission (CFTC) adopted certain regulatory changes that subject registered investment companies and advisers to regulation by the CFTC if a fund invests more than a prescribed level of its assets in certain CFTC-regulated instruments (including futures, certain options and swap agreements) or markets itself as providing investment exposure to such instruments. The Fund has claimed an exclusion from the definition of the term "commodity pool operator" under the Commodity Exchange Act and is not subject to the CFTC regulation. Because of its management of other strategies, the Fund's adviser is registered with the CFTC as a commodity pool operator and a commodity trading advisor.

Managed Distribution Plan. Pursuant to an exemptive order issued by the Securities and Exchange Commission (Order), the Fund is authorized to distribute long-term capital gains to shareholders more frequently than once per year. Pursuant to the Order, the Fund's Board of Trustees approved a Managed Distribution Plan (MDP) pursuant to which the Fund makes quarterly cash distributions to common shareholders, stated in terms of a fixed amount per common share.

The Fund currently distributes quarterly cash distributions equal to \$0.4250 per share in accordance with the MDP. You should not draw any conclusions about the Fund's investment performance from the amount of these distributions or from the terms of the MDP. The MDP will be subject to regular periodic review by the Fund's Board of Trustees and the Board may amend or terminate the MDP at any time without prior notice to Fund shareholders. However, at this time there are no reasonably foreseeable circumstances that might cause the termination of the MDP.

The Fund may distribute more than its net investment income and net realized capital gains and, therefore, a distribution may include a return of capital. A return of capital distribution does not necessarily reflect the Fund's investment performance and should not be confused with "yield" or "income." With each distribution, the Fund will issue a notice to shareholders and a press release containing information about the amount and sources of the distribution and other related information. The amounts and sources of distributions contained in the notice and press release are only estimates and are not provided for tax purposes. The amounts and sources of the Fund's distributions for tax purposes will be reported to shareholders on Form 1099-DIV for each calendar year.

Fund shares are not insured by the FDIC and are not deposits or other obligations of, or guaranteed by, any depository institution. Shares are subject to investment risks, including possible loss of principal invested.

Annual Report December 31, 2013

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Tax-Advantaged Bond and Option Strategies Fund

December 31, 2013

Management's Discussion of Fund Performance

Economic and Market Conditions

During the first four months of the fiscal year ended December 31, 2013, interest rates remained near historic lows, driven by highly accommodative monetary policies instituted by central banks around the world. In December 2012, just before the period began, the U.S. Federal Reserve (the Fed) had replaced Operation Twist, the central bank's swapping of its short-term holdings for long-term Treasury bonds, with outright purchases of \$45 billion of Treasuries each month. This was in addition to the monthly purchase of approximately \$40 billion of agency mortgage-backed securities that it had begun in September 2012. In the opening months of the one-year period, these actions combined to put downward pressure on long-term bond yields, driving investors to look for other sources of income. One beneficiary was the municipal bond market, which rallied during the first four months of the period in response to strong investor demand.

In late May 2013, however, Fed Chairman Ben Bernanke surprised the markets by indicating that the Fed's \$85 billion in monthly asset purchases, known collectively as quantitative easing (QE), could be tapered sooner than most investors had expected. The negative effect on the bond market was swift and dramatic. Investors rushed to sell fixed-income assets in anticipation of rising interest rates, causing nearly every fixed-income asset class to decline in value.

Outflows had a particularly significant effect on the municipal bond market because, unlike other domestic fixed-income asset classes, the municipal market is primarily retail-based and is generally impacted more by the actions of small individual investors than other fixed-income asset classes. Even after the Fed tried to temper its comments and calm the markets, moderating the outflows in other fixed-income asset classes, heavy selling in municipals continued through August 2013, causing a significant increase in municipal bond yields.

The selling abated somewhat in September 2013, after the Fed surprised the markets again by postponing its tapering of QE that many investors had thought was imminent. And while the municipal market continued to experience net outflows through the end of the period on December 31, 2013, the Fed's mid-December announcement that tapering of QE would actually begin in January 2014 had only a muted effect on municipal yields. Investors appeared relieved that the tapering would be gradual and that the Fed still intended to keep the Fed funds rate near zero for an extended period.

During the one-year period, additional pressure on the municipal market came from the City of Detroit's bankruptcy filing on July 18, 2013 and heightened attention to Puerto Rico's fiscal woes. Although Detroit's fiscal problems had been well-documented for years and its bankruptcy should not have been a surprise, the bankruptcy negative headlines injected additional fear into the municipal bond market. That fear, combined with Puerto Rico's well-publicized fiscal challenges,

drove both institutional and retail investors to sell Puerto Rico bonds, exerting additional downward pressure on the market value of the bonds in late August and September 2013. Prices of Puerto Rico bonds remained at depressed levels through the end of the period on December 31, 2013.

Fund Performance

For the fiscal year ended December 31, 2013, Eaton Vance Tax-Advantaged Bond and Option Strategies Fund (the Fund) had a total return of -6.81% at net asset value (NAV), underperforming the 0.07% return of the Fund's benchmark, the BofA Merrill Lynch 3-Month U.S. Treasury Bill Index² (the Index).

The Fund combines two complementary, uncorrelated strategies: a short-duration⁶, high-credit-quality Bond Strategy and a rules-based Option Overlay Strategy. Both strategies are designed to provide tax-advantaged current income and capital gains. While both strategies detracted from

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Fund performance relative to the Index during the period, the Option Overlay Strategy was the larger detractor from the Fund's relative performance versus the Index.

During the one-year period, the Bond Strategy was invested mainly in municipal bonds rated AAA and AA and maintained an overall portfolio duration between 3 and 4.5 years. The Bond Strategy delivered modestly negative performance as a result of rising interest rates and declining municipal bond prices during the period. However, the Fund's short-term, high-quality positioning helped mitigate the losses, as higher-quality municipal bonds outperformed lower-quality municipal bonds during the period, and shorter-duration bonds did not suffer as badly from rising interest rates as longer-duration issues. In addition, Fund performance was aided by security selection and by actively trading securities to take advantage of inefficiencies within the municipal market.

The Option Overlay Strategy, which is designed to generate income by writing a series of S&P 500 Index call and put spread option transactions, is intended to provide returns that are substantially uncorrelated to the returns of the S&P 500 Index. This strategy tends to perform well in range-bound, flat, and moderately up or down equity markets, but underperform in strongly directional markets, either up or down. For equities, the 12 months ended December 31, 2013 constituted a largely unidirectional market, frequently making new highs and having no significant corrections or market consolidation. In that environment, the Option Overlay Strategy's writing of put spread options was beneficial, but the sale of call spread options detracted significantly from performance and caused the Option Overlay Strategy as a whole to detract from results relative to the Index.

See Endnotes and Additional Disclosures in this report.

Past performance is no guarantee of future results. Returns are historical and are calculated by determining the percentage change in net asset value (NAV) or market price (as applicable) with all distributions reinvested and includes management fees and other expenses. Fund performance at market price will differ from its results at NAV due to factors such as changing perceptions about the Fund, market conditions, fluctuations in supply and demand for Fund shares, or changes in Fund distributions. Investment return and principal value will fluctuate so that shares, when sold, may be worth more or less than their original cost. Performance less than one year is cumulative. Performance is for the stated time period only; due to market volatility, current Fund performance may be lower or higher than the quoted return. For performance as of the most recent month end, please refer to eatonvance.com.

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Performance²

Portfolio Managers Ken Everding, Ph.D. and Jonathan Orseck, each of Parametric Risk Advisors, LLC; James H. Evans, CFA

% Average Annual Total Returns	Inception Date	One Year	Five Years	Since Inception
Fund at NAV	06/29/2010	6.81%		3.71%
Fund at Market Price		10.47		1.53
BofA Merrill Lynch 3-Month U.S. Treasury Bill Index		0.07%	0.12%	0.10%

% Premium/Discount to NAV³

7.19%

Distributions⁴

Total Distributions per share for the period	\$ 1.700
Distribution Rate at NAV	11.11%
Distribution Rate at Market Price	11.97%

Fund Profile

Credit Quality (% of bond holdings)⁵

See Endnotes and Additional Disclosures in this report.

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Endnotes and Additional Disclosures

- ¹ The views expressed in this report are those of the portfolio manager(s) and are current only through the date stated at the top of this page. These views are subject to change at any time based upon market or other conditions, and Eaton Vance and the Fund(s) disclaim any responsibility to update such views. These views may not be relied upon as investment advice and, because investment decisions are based on many factors, may not be relied upon as an indication of trading intent on behalf of any Eaton Vance fund. This commentary may contain statements that are not historical facts, referred to as forward looking statements. The Fund's actual future results may differ significantly from those stated in any forward looking statement, depending on factors such as changes in securities or financial markets or general economic conditions, the volume of sales and purchases of Fund shares, the continuation of investment advisory, administrative and service contracts, and other risks discussed from time to time in the Fund's filings with the Securities and Exchange Commission.
- ² BofA Merrill Lynch 3-Month U.S. Treasury Bill Index is an unmanaged index of U.S. Treasury securities maturing in 90 days. BofA Merrill Lynch® indices not for redistribution or other uses; provided **as is , without warranties, and with no liability**. Eaton Vance has prepared this report, BofAML does not endorse it, or guarantee, review, or endorse Eaton Vance's products. S&P 500 Index is an unmanaged index of large-cap stocks commonly used as a measure of U.S. stock market performance. Unless otherwise stated, index returns do not reflect the effect of any applicable sales charges, commissions, expenses, taxes or leverage, as applicable. It is not possible to invest directly in an index. Performance since inception for an index, if presented, is the performance since the Fund's or oldest share class inception, as applicable.
- ³ The shares of the Fund often trade at a discount or premium from their net asset value. The discount or premium of the Fund may vary over time and may be higher or lower than what is quoted in this report. For up-to-date premium/discount information, please refer to <http://eatonvance.com/closedend>.
- ⁴ The Distribution Rate is based on the Fund's last regular distribution per share in the period (annualized) divided by the Fund's NAV or market price at the end of the period. The Fund's distributions may be comprised of amounts characterized for federal income tax purposes as qualified and non-qualified ordinary dividends, capital gains and nondividend distributions, also known as return of capital. For additional information about nondividend distributions, please refer to Eaton Vance Closed-End Fund Distribution Notices (19a) posted on our website, eatonvance.com. The Fund will determine the federal income tax character of distributions paid to a shareholder after the end of the calendar year. This is reported on the IRS form 1099-DIV and provided to the shareholder shortly after each year-end. For information about the tax character of distributions made in prior calendar years, please refer to Performance-Tax Character of Distributions on the Fund's webpage available at www.eatonvance.com. In recent years, a significant portion of the Fund's distributions has been characterized as a return of capital. The Fund's distributions are determined by the investment adviser based on its current assessment of the Fund's long-term return potential. As portfolio and market conditions change, the rate of distributions paid by the Fund could change.
- ⁵ Ratings are based on Moody's, S&P or Fitch, as applicable. Ratings, which are subject to change, apply to the creditworthiness of the issuers of the underlying securities and not to the Fund or its shares. Credit ratings measure the quality of a bond based on the issuer's creditworthiness, with ratings ranging from AAA, being the highest, to D, being the lowest based on S&P's measures. Ratings of BBB or higher by Standard and Poor's or Fitch (Baa or higher by Moody's) are considered to be investment grade quality. Credit ratings are based largely on the rating agency's analysis at the time of rating. The rating assigned to any particular security is not necessarily a reflection of the issuer's current financial condition and does not necessarily reflect its assessment of the volatility of a security's market value or of the liquidity of an investment in the security. If securities are rated differently by the rating agencies, the higher rating is applied. Holdings designated as Not Rated are not rated by the national rating agencies stated above.
- ⁶ Duration is a measure of the expected change in price of a bond in percentage terms given a one percent change in interest rates, all else being constant. Securities with lower durations tend to be less sensitive to interest-rate changes.

Fund profile subject to change due to active management.

Eaton Vance

Tax-Advantaged Bond and Option Strategies Fund

December 31, 2013

Portfolio of Investments

Tax-Exempt Municipal Securities 97.1%

Security	Principal Amount (000 s omitted)	Value
Bond Bank 2.3%		
Vermont Municipal Bond Bank, 4.00%, 12/1/17 ⁽¹⁾	\$ 2,515	\$ 2,809,884
Vermont Municipal Bond Bank, 5.00%, 12/1/19	705	825,294
		\$ 3,635,178
Education 2.3%		
Massachusetts Development Finance Agency, (Harvard University), 5.00%, 10/15/20	\$ 2,000	\$ 2,383,940
New York State Dormitory Authority, 5.00%, 7/1/21	1,000	1,170,430
University of Arkansas, 3.00%, 11/1/19	195	203,847
		\$ 3,758,217
Electric Utilities 1.8%		
Energy Northwest, WA, (Columbia Generating Station), 5.00%, 7/1/19	\$ 2,500	\$ 2,940,050
		\$ 2,940,050
Escrowed / Prerefunded 2.3%		
Columbus, OH, Prerefunded to 7/1/14, 5.00%, 7/1/20	\$ 1,000	\$ 1,024,310
Harris County, TX, Flood Control District, Prerefunded to 10/1/14, 5.25%, 10/1/20	2,545	2,641,939
		\$ 3,666,249
General Obligations 53.2%		
Alexandria, VA, 4.00%, 7/1/16	\$ 2,980	\$ 3,245,041
Arkansas, 5.00%, 6/15/21	5,000	5,924,250
Baltimore County, MD, 5.00%, 8/1/21	2,385	2,821,670
Beaufort County, SC, School District, 5.00%, 3/1/19	5,370	6,289,612
Bedford, MA, 4.00%, 8/15/16	1,380	1,506,146
Carrollton, TX, 3.00%, 8/15/15	100	104,371
Charleston County, SC, School District, 5.00%, 2/1/19	7,020	8,238,532
Dakota County, MN, Community Development Agency, 3.00%, 1/1/14	500	500,000
Florida Board of Education, 5.00%, 6/1/17	2,010	2,297,611
Frederick County, MD, 4.00%, 2/1/15	555	577,605

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Georgia, 5.00%, 7/1/17	600	688,824
Georgia, 5.00%, 7/1/19	3,070	3,636,998
Hoover, AL, Board of Education Capital Outlay Warrants, 5.00%, 2/15/14	2,815	2,831,721
Hopkinton, MA, 4.00%, 7/15/16	240	260,563
Liberty Hill, TX, Independent School District, (PSF Guaranteed), 0.00%, 8/1/21	315	257,210
Loudoun County, VA, 5.00%, 12/1/17	2,015	2,338,811

	Principal Amount	Value
Security	(000 s omitted)	

General Obligations (continued)

Maricopa County, AZ, Community College District, 3.00%, 7/1/18	\$ 1,605	\$ 1,734,122
Maryland, 5.00%, 8/1/20	5,000	5,863,450
Massachusetts, 5.50%, 10/1/15	400	436,568
Mississippi, 5.00%, 10/1/21	500	570,340
Morris County, NJ, 5.00%, 2/15/14	1,650	1,659,851
New York, 5.00%, 4/15/15	500	531,880
North Carolina, 4.00%, 6/1/14	5,000	5,080,800
Pennsylvania Economic Development Financing Authority, (Unemployment Compensation Revenue), 5.00%, 7/1/18	5,000	5,839,450
Richardson, TX, 5.00%, 2/15/18	2,890	3,348,094
St. Louis County, MO, Parkway C-2 School District, 4.00%, 3/1/20	1,700	1,905,445
Utah, 5.00%, 7/1/19 ⁽¹⁾	3,300	3,920,994
Wake, NC, 5.00%, 3/1/21	2,000	2,375,360
Washington Suburban Sanitary District, MD, (Montgomery and Prince George s Counties), 5.00%, 6/1/20	2,500	2,971,325
Wisconsin, 5.00%, 5/1/17 ⁽²⁾	5,000	5,647,150
Wisconsin, 5.00%, 5/1/20	2,255	2,648,723

\$ 86,052,517

Insured Escrowed / Prerefunded 0.3%

New York State Thruway Authority, Personal Income Tax, (AGM), Escrowed to Maturity, 5.00%, 3/15/14	\$ 465	\$ 469,664
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\$ 469,664

Insured General Obligations 0.5%

Houston, TX, (NPPG), 5.25%, 3/1/14	\$ 785	\$ 791,727
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\$ 791,727

Insured Transportation 0.3%

New York State Thruway Authority, Personal Income Tax, (AGM), 5.00%, 3/15/14	\$ 535	\$ 540,446
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\$ 540,446

Lease Revenue / Certificates of Participation 0.7%

Orange County, FL, School Board, 5.00%, 8/1/16	\$ 500	\$ 553,875
Orange County, FL, School Board, 5.00%, 8/1/19	500	577,800

\$ 1,131,675

Special Tax Revenue 13.7%

Michigan Finance Authority, (Unemployment Obligation Assessment), 5.00%, 1/1/20	\$ 6,000	\$ 6,960,240
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Portfolio of Investments continued

Security	Principal Amount (000 s omitted)	Value
Special Tax Revenue (continued)		
New York Urban Development Corp., Personal Income Tax Revenue, 5.00%, 3/15/18	\$ 12,000	\$ 13,855,680
New York Urban Development Corp., Personal Income Tax Revenue, 5.00%, 3/15/19	1,160	1,352,525
		\$ 22,168,445
Transportation 15.3%		
Massachusetts Bay Transportation Authority, Sales Tax Revenue, 5.25%, 7/1/21	\$ 1,350	\$ 1,614,762
New York State Thruway Authority, 5.00%, 4/1/18 ⁽¹⁾	20,000	23,157,800
		\$ 24,772,562
Water and Sewer 4.4%		
Honolulu City and County, HI, Wastewater System Revenue, 5.00%, 7/1/22	\$ 2,985	\$ 3,373,677
Massachusetts Water Pollution Abatement Trust, 4.00%, 8/1/17	1,860	2,074,812
Seattle, WA, Solid Waste Revenue, 5.00%, 8/1/21	1,415	1,652,663
		\$ 7,101,152
Total Tax-Exempt Municipal Securities 97.1% (identified cost \$152,878,568)		\$ 157,027,882

Call Options Purchased 0.1%

Description	Number of Contracts	Strike Price	Expiration Date	Value
S&P 500 Index	152	\$ 1,925	1/3/14	\$ 1,140
S&P 500 Index	155	1,900	1/10/14	15,500
S&P 500 Index	151	1,940	1/18/14	5,662
S&P 500 Index	145	1,965	1/24/14	5,800
S&P 500 Index FLEX	151	1,935	1/6/14	191
S&P 500 Index FLEX	154	1,915	1/8/14	2,032
S&P 500 Index FLEX	154	1,912	1/13/14	9,261
S&P 500 Index FLEX	155	1,910	1/15/14	14,373
S&P 500 Index FLEX	147	1,950	1/21/14	6,419
S&P 500 Index FLEX	145	1,965	1/23/14	5,165
S&P 500 Index FLEX	146	1,967	1/27/14	7,662

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S&P 500 Index FLEX 146 1,975 1/29/14 8,152

Total Call Options Purchased
(identified cost \$70,564) **\$ 81,357**

Put Options Purchased 0.1%

Description	Number of Contracts	Strike Price	Expiration Date	Value
S&P 500 Index	152	\$ 1,635	1/3/14	\$ 2,280
S&P 500 Index	155	1,605	1/10/14	6,975
S&P 500 Index	151	1,650	1/18/14	15,478
S&P 500 Index	145	1,685	1/24/14	28,275
S&P 500 Index FLEX	151	1,635	1/6/14	29
S&P 500 Index FLEX	154	1,635	1/8/14	152
S&P 500 Index FLEX	154	1,615	1/13/14	655
S&P 500 Index FLEX	155	1,610	1/15/14	1,034
S&P 500 Index FLEX	147	1,665	1/21/14	8,663
S&P 500 Index FLEX	145	1,685	1/23/14	15,057
S&P 500 Index FLEX	146	1,685	1/27/14	22,280
S&P 500 Index FLEX	146	1,680	1/29/14	30,642

Total Put Options Purchased
(identified cost \$412,814) **\$ 131,520**

Short-Term Investments 10.0%

Description	Interest (000 s omitted)	Value
Eaton Vance Cash Reserves Fund, LLC, 0.14% ⁽³⁾	\$ 16,289	\$ 16,289,124

Total Short-Term Investments 10.0%
(identified cost \$16,289,124) **\$ 16,289,124**

Total Investments 107.3%
(identified cost \$169,651,070) **\$ 173,529,883**

Call Options Written (1.9)%

Description	Number of Contracts	Strike Price	Expiration Date	Value
S&P 500 Index	152	\$ 1,835	1/3/14	\$ (262,200)
S&P 500 Index	155	1,815	1/10/14	(599,850)
S&P 500 Index	151	1,850	1/18/14	(251,415)
S&P 500 Index	145	1,875	1/24/14	(130,500)
S&P 500 Index FLEX	151	1,845	1/6/14	(146,271)
S&P 500 Index FLEX	154	1,830	1/8/14	(319,411)
S&P 500 Index FLEX	154	1,827	1/13/14	(401,651)
S&P 500 Index FLEX	155	1,825	1/15/14	(444,569)
S&P 500 Index FLEX	147	1,860	1/21/14	(173,349)
S&P 500 Index FLEX	145	1,875	1/23/14	(111,602)
S&P 500 Index FLEX	146	1,877	1/27/14	(124,016)
S&P 500 Index FLEX	146	1,885	1/29/14	(110,851)

Total Call Options Written (1.9)%
(premiums received \$1,185,991) **\$ (3,075,685)**

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Portfolio of Investments continued

Put Options Written (0.3)%

Description	Number of Contracts	Strike Price	Expiration Date	Value
S&P 500 Index	152	\$ 1,725	1/3/14	\$ (4,560)
S&P 500 Index	155	1,690	1/10/14	(13,175)
S&P 500 Index	151	1,740	1/18/14	(31,333)
S&P 500 Index	145	1,775	1/24/14	(79,025)
S&P 500 Index FLEX	151	1,725	1/6/14	(668)
S&P 500 Index FLEX	154	1,720	1/8/14	(1,797)
S&P 500 Index FLEX	154	1,700	1/13/14	(4,588)
S&P 500 Index FLEX	155	1,695	1/15/14	(6,211)
S&P 500 Index FLEX	147	1,755	1/21/14	(40,307)
S&P 500 Index FLEX	145	1,775	1/23/14	(65,802)
S&P 500 Index FLEX	146	1,775	1/27/14	(83,819)
S&P 500 Index FLEX	146	1,770	1/29/14	(100,202)

Total Put Options Written (0.3)%
(premiums received \$1,115,326) \$ (431,487)

Other Assets, Less Liabilities (5.1)% \$ (8,351,693)

Net Assets 100.0% \$ 161,671,018

The percentage shown for each investment category in the Portfolio of Investments is based on net assets.

- AGM Assured Guaranty Municipal Corp.
- FLEX FLEXible EXchange traded option, representing a customized option contract with negotiated contract terms.
- NPFG National Public Finance Guaranty Corp.
- PSF Permanent School Fund

At December 31, 2013, the concentration of the Fund's investments in the various states, determined as a percentage of net assets, is as follows:

New York	25.4%
Others, representing less than 10% individually	71.7%

The Fund invests primarily in debt securities issued by municipalities. The ability of the issuers of the debt securities to meet their obligations may be affected by economic developments in a specific industry or municipality. In order to reduce the risk associated with such economic developments, at December 31, 2013, 1.0% of total investments are backed by bond insurance of various financial institutions and financial guaranty assurance agencies. The aggregate percentage insured by an individual financial institution or financial guaranty assurance agency ranged from 0.5% to 0.6% of total investments.

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- (1) Security (or a portion thereof) has been pledged as collateral for written option contracts.
- (2) When-issued security.
- (3) Affiliated investment company, available to Eaton Vance portfolios and funds, which invests in high quality, U.S. dollar denominated money market instruments. The rate shown is the annualized seven-day yield as of December 31, 2013.

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Tax-Advantaged Bond and Option Strategies Fund

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Statement of Assets and Liabilities

	December 31, 2013
Assets	
Unaffiliated investments, at value (identified cost, \$153,361,946)	\$ 157,240,759
Affiliated investment, at value (identified cost, \$16,289,124)	16,289,124
Cash	142,594
Interest receivable	2,074,189
Interest receivable from affiliated investment	1,627
Receivable for investments sold	191,577
Total assets	\$ 175,939,870
Liabilities	
Written options outstanding, at value (premiums received, \$2,301,317)	\$ 3,507,172
Payable for investments purchased	397,318
Payable for when-issued securities	5,597,100
Distributions payable	4,490,884
Payable to affiliates:	
Investment adviser and administration fee	176,272
Trustees' fees	1,850
Accrued expenses	98,256
Total liabilities	\$ 14,268,852
Net Assets	\$ 161,671,018
Sources of Net Assets	
Common shares, \$0.01 par value, unlimited number of shares authorized	\$ 105,668
Additional paid-in capital	172,407,530
Accumulated net realized loss	(9,024,254)
Accumulated distributions in excess of net investment income	(4,490,884)
Net unrealized appreciation	2,672,958
Net Assets	\$ 161,671,018
Common Shares Outstanding	10,566,786
Net Asset Value	
Net assets ÷ common shares issued and outstanding	\$ 15.30

Eaton Vance

Tax-Advantaged Bond and Option Strategies Fund

December 31, 2013

Statement of Operations

	Year Ended
	December 31, 2013
Investment Income	
Interest	\$ 3,290,933
Interest income allocated from affiliated investment	19,001
Expenses allocated from affiliated investment	(2,235)
Total investment income	\$ 3,307,699
Expenses	
Investment adviser and administration fee	\$ 2,214,115
Trustees' fees and expenses	7,542
Custodian fee	141,610
Transfer and dividend disbursing agent fees	18,086
Legal and accounting services	57,856
Printing and postage	41,492
Miscellaneous	54,386
Total expenses	\$ 2,535,087
Deduct	
Reduction of custodian fee	\$ 25
Total expense reductions	\$ 25
Net expenses	\$ 2,535,062
Net investment income	\$ 772,637
Realized and Unrealized Gain (Loss)	
Net realized gain (loss)	
Investment transactions	\$ (6,513,418)
Investment transactions allocated from affiliated investment	385
Written options	(1,778,085)
Net realized loss	\$ (8,291,118)
Change in unrealized appreciation (depreciation)	
Investments	\$ (3,761,563)
Written options	(2,337,642)
Net change in unrealized appreciation (depreciation)	\$ (6,099,205)
Net realized and unrealized loss	\$ (14,390,323)
Net decrease in net assets from operations	\$ (13,617,686)

Eaton Vance

Tax-Advantaged Bond and Option Strategies Fund

December 31, 2013

Statements of Changes in Net Assets

	Year Ended December 31,	
	2013	2012
Increase (Decrease) in Net Assets		
From operations		
Net investment income	\$ 772,637	\$ 399,832
Net realized gain (loss) from investment transactions and written options	(8,291,118)	16,387,429
Net change in unrealized appreciation (depreciation) from investments and written options	(6,099,205)	(279,854)
Net increase (decrease) in net assets from operations	\$ (13,617,686)	\$ 16,507,407
Distributions to common shareholders		
From net investment income	\$ (778,492)	\$ (396,657)
From net realized gain		(16,098,301)
Tax return of capital	(17,180,695)	(1,451,180)
Total distributions to common shareholders	\$ (17,959,187)	\$ (17,946,138)
Capital share transactions		
Reinvestment of distributions	\$ 178,993	\$
Net increase in net assets from capital share transactions	\$ 178,993	\$
Net decrease in net assets	\$ (31,397,880)	\$ (1,438,731)
Net Assets		
At beginning of year	\$ 193,068,898	\$ 194,507,629
At end of year	\$ 161,671,018	\$ 193,068,898
Accumulated distributions in excess of net investment income included in net assets		
At end of year	\$ (4,490,884)	\$ (4,486,535)

Eaton Vance

Tax-Advantaged Bond and Option Strategies Fund

December 31, 2013

Financial Highlights

	Year Ended December 31,			Period Ended
	2013	2012	2011	December 31, 2010 ⁽¹⁾
Net asset value Beginning of period	\$ 18.290	\$ 18.430	\$ 17.890	\$ 19.100 ⁽²⁾
Income (Loss) From Operations				
Net investment income ⁽³⁾	\$ 0.073	\$ 0.038	\$ 0.060	\$ 0.016
Net realized and unrealized gain (loss)	(1.363)	1.522	2.180	(0.336)
Total income (loss) from operations	\$ (1.290)	\$ 1.560	\$ 2.240	\$ (0.320)
Less Distributions				
From net investment income	\$ (0.074)	\$ (0.037)	\$ (0.060)	\$ (0.671)
From net realized gain		(1.525)	(0.898)	(0.179)
Tax return of capital	(1.626)	(0.138)	(0.742)	
Total distributions	\$ (1.700)	\$ (1.700)	\$ (1.700)	\$ (0.850)
Offering costs charged to paid-in capital⁽³⁾	\$	\$	\$	\$ (0.040)
Net asset value End of period	\$ 15.300	\$ 18.290	\$ 18.430	\$ 17.890
Market value End of period	\$ 14.200	\$ 17.670	\$ 16.550	\$ 16.730
Total Investment Return on Net Asset Value⁽⁴⁾	(6.81)%	9.23%	13.69%	(1.86)%⁽⁵⁾⁽⁶⁾⁽⁷⁾
Total Investment Return on Market Value⁽⁴⁾	(10.47)%	17.45%	9.23%	(8.22)%⁽⁵⁾⁽⁶⁾⁽⁷⁾
Ratios/Supplemental Data				
Net assets, end of period (000 s omitted)	\$ 161,671	\$ 193,069	\$ 194,508	\$ 188,852
Ratios (as a percentage of average daily net assets):				
Expenses ⁽⁸⁾	1.43%	1.42%	1.43%	1.44% ⁽⁹⁾
Net investment income	0.44%	0.21%	0.33%	0.17% ⁽⁹⁾
Portfolio Turnover	51%	14%	59%	11% ⁽⁵⁾

(1) For the period from the start of business, June 29, 2010, to December 31, 2010.

(2) Net asset value at beginning of period reflects the deduction of the sales load of \$0.90 per share paid by the shareholder from the \$20.00 offering price.

(3) Computed using average shares outstanding.

(4) Returns are historical and are calculated by determining the percentage change in net asset value or market value with all distributions reinvested. Distributions are assumed to be reinvested at prices obtained under the Fund's dividend reinvestment plan.

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- (5) Not annualized.
- (6) Included in the calculation is a distribution that was declared prior to the end of the period and paid in January 2011, which was assumed to be reinvested at the price obtained on or after the payable date pursuant to the Fund's dividend reinvestment plan.
- (7) Total investment return on net asset value is calculated assuming a purchase at the offering price of \$20.00 less the sales load of \$0.90 per share paid by the shareholder on the first day and a sale at the net asset value on the last day of the period reported. Total investment return on market value is calculated assuming a purchase at the offering price of \$20.00 less the sales load of \$0.90 per share paid by the shareholder on the first day and a sale at the current market price on the last day of the period reported.
- (8) Excludes the effect of custody fee credits, if any, of less than 0.005%.
- (9) Annualized.

Eaton Vance

Tax-Advantaged Bond and Option Strategies Fund

December 31, 2013

Notes to Financial Statements

1 Significant Accounting Policies

Eaton Vance Tax-Advantaged Bond and Option Strategies Fund (the Fund) is a Massachusetts business trust registered under the Investment Company Act of 1940, as amended (the 1940 Act), as a diversified, closed-end management investment company. The Fund's investment objective is to provide tax-advantaged current income and gains.

The following is a summary of significant accounting policies of the Fund. The policies are in conformity with accounting principles generally accepted in the United States of America.

A Investment Valuation The following methodologies are used to determine the market value or fair value of investments.

Debt Obligations. Debt obligations (including short-term obligations with a remaining maturity of more than sixty days) are generally valued on the basis of valuations provided by third party pricing services, as derived from such services' pricing models. Inputs to the models may include, but are not limited to, reported trades, executable bid and asked prices, broker/dealer quotations, prices or yields of securities with similar characteristics, benchmark curves or information pertaining to the issuer, as well as industry and economic events. The pricing services may use a matrix approach, which considers information regarding securities with similar characteristics to determine the valuation for a security. Short-term obligations purchased with a remaining maturity of sixty days or less are generally valued at amortized cost, which approximates market value.

Derivatives. Exchange-traded options (other than FLEXible EXchange traded options) are valued at the mean between the bid and asked prices at valuation time as reported by the Options Price Reporting Authority for U.S. listed options or by the relevant exchange or board of trade for non-U.S. listed options. Over-the-counter options (including options on securities and indices) and FLEXible EXchange traded options traded at the Chicago Board Options Exchange are valued by a third party pricing service using techniques that consider factors including the value of the underlying instrument, the volatility of the underlying instrument and the period of time until option expiration.

Affiliated Fund. The Fund may invest in Eaton Vance Cash Reserves Fund, LLC (Cash Reserves Fund), an affiliated investment company managed by Eaton Vance Management (EVM). The value of the Fund's investment in Cash Reserves Fund reflects the Fund's proportionate interest in its net assets. Cash Reserves Fund generally values its investment securities utilizing the amortized cost valuation technique in accordance with Rule 2a-7 under the 1940 Act. This technique involves initially valuing a portfolio security at its cost and thereafter assuming a constant amortization to maturity of any discount or premium. If amortized cost is determined not to approximate fair value, Cash Reserves Fund may value its investment securities in the same manner as debt obligations described above.

Fair Valuation. Investments for which valuations or market quotations are not readily available or are deemed unreliable are valued at fair value using methods determined in good faith by or at the direction of the Trustees of the Fund in a manner that fairly reflects the security's value, or the amount that the Fund might reasonably expect to receive for the security upon its current sale in the ordinary course. Each such determination is based on a consideration of relevant factors, which are likely to vary from one pricing context to another. These factors may include, but are not limited to, the type of security, the existence of any contractual restrictions on the security's disposition, the price and extent of public trading in similar securities of the issuer or of comparable companies or entities, quotations or relevant information obtained from broker/dealers or other market participants, information obtained from the issuer, analysts, and/or the appropriate stock exchange (for exchange-traded securities), an analysis of the company's or entity's financial condition, and an evaluation of the forces that influence the issuer and the market(s) in which the security is purchased and sold.

B Investment Transactions Investment transactions for financial statement purposes are accounted for on a trade date basis. Realized gains and losses on investments sold are determined on the basis of identified cost.

C Income Interest income is recorded on the basis of interest accrued, adjusted for amortization of premium or accretion of discount.

D Federal Taxes The Fund's policy is to comply with the provisions of the Internal Revenue Code applicable to regulated investment companies and to distribute to shareholders each year substantially all of its taxable, if any, and tax-exempt net investment income, and all or substantially all of its net realized capital gains.

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Accordingly, no provision for federal income or excise tax is necessary. The Fund intends to satisfy conditions which will enable it to designate distributions from the interest income generated by its investments in non-taxable municipal securities, which are exempt from regular federal income tax when received by the Fund, as exempt-interest dividends. The portion of such interest, if any, earned on private activity bonds issued after August 7, 1986, may be considered a tax preference item to shareholders.

At December 31, 2013, the Fund, for federal income tax purposes, had deferred capital losses of \$10,503,523 which will reduce its taxable income arising from future net realized gains on investment transactions, if any, to the extent permitted by the Internal Revenue Code, and thus will reduce the amount of distributions to shareholders, which would otherwise be necessary to relieve the Fund of any liability for federal income or excise tax. The deferred capital losses are treated as arising on the first day of the Fund's next taxable year.

As of December 31, 2013, the Fund had no uncertain tax positions that would require financial statement recognition, de-recognition, or disclosure. The Fund files a U.S. federal income tax return annually after its fiscal year-end, which is subject to examination by the Internal Revenue Service for a period of three years from the date of filing.

E Expense Reduction State Street Bank and Trust Company (SSBT) serves as custodian of the Fund. Pursuant to the custodian agreement, SSBT receives a fee reduced by credits, which are determined based on the average daily cash balance the Fund maintains with SSBT. All credit balances, if any, used to reduce the Fund's custodian fees are reported as a reduction of expenses in the Statement of Operations.

Eaton Vance

Tax-Advantaged Bond and Option Strategies Fund

December 31, 2013

Notes to Financial Statements continued

F Offering Costs EVM, the Fund's adviser, agreed to pay all offering costs (other than sales loads) that exceeded \$0.04 per common share. Costs incurred by the Fund in connection with the offering of its common shares were recorded as a reduction of additional paid-in capital.

G Legal Fees Legal fees and other related expenses incurred as part of negotiations of the terms and requirement of capital infusions, or that are expected to result in the restructuring of, or a plan of reorganization for, an investment are recorded as realized losses. Ongoing expenditures to protect or enhance an investment are treated as operating expenses.

H Use of Estimates The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of income and expense during the reporting period. Actual results could differ from those estimates.

I Indemnifications Under the Fund's organizational documents, its officers and Trustees may be indemnified against certain liabilities and expenses arising out of the performance of their duties to the Fund. Under Massachusetts law, if certain conditions prevail, shareholders of a Massachusetts business trust (such as the Fund) could be deemed to have personal liability for the obligations of the Fund. However, the Fund's Declaration of Trust contains an express disclaimer of liability on the part of Fund shareholders and the By-laws provide that the Fund shall assume the defense on behalf of any Fund shareholders. Moreover, the By-laws also provide for indemnification out of Fund property of any shareholder held personally liable solely by reason of being or having been a shareholder for all loss or expense arising from such liability. Additionally, in the normal course of business, the Fund enters into agreements with service providers that may contain indemnification clauses. The Fund's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Fund that have not yet occurred.

J Written Options Upon the writing of a call or a put option, the premium received by the Fund is included in the Statement of Assets and Liabilities as a liability. The amount of the liability is subsequently marked-to-market to reflect the current market value of the option written, in accordance with the Fund's policies on investment valuations discussed above. Premiums received from writing options which expire are treated as realized gains. Premiums received from writing options which are exercised or are closed are added to or offset against the proceeds or amount paid on the transaction to determine the realized gain or loss. When an index option is exercised, the Fund is required to deliver an amount of cash determined by the excess of the strike price of the option over the value of the index (in the case of a put) or the excess of the value of the index over the strike price of the option (in the case of a call) at contract termination. If a put option on a security is exercised, the premium reduces the cost basis of the securities purchased by the Fund. The Fund, as a writer of an option, may have no control over whether the underlying securities or other assets may be sold (call) or purchased (put) and, as a result, bears the market risk of an unfavorable change in the price of the securities or other assets underlying the written option. The Fund may also bear the risk of not being able to enter into a closing transaction if a liquid secondary market does not exist.

K Purchased Options Upon the purchase of a call or put option, the premium paid by the Fund is included in the Statement of Assets and Liabilities as an investment. The amount of the investment is subsequently marked-to-market to reflect the current market value of the option purchased, in accordance with the Fund's policies on investment valuations discussed above. As the purchaser of an index option, the Fund has the right to receive a cash payment equal to any depreciation in the value of the index below the strike price of the option (in the case of a put) or equal to any appreciation in the value of the index over the strike price of the option (in the case of a call) as of the valuation date of the option. If an option which the Fund had purchased expires on the stipulated expiration date, the Fund will realize a loss in the amount of the cost of the option. If the Fund enters into a closing sale transaction, the Fund will realize a gain or loss, depending on whether the sales proceeds from the closing sale transaction are greater or less than the cost of the option. If the Fund exercises a put option on a security, it will realize a gain or loss from the sale of the underlying security, and the proceeds from such sale will be decreased by the premium originally paid. If the Fund exercises a call option on a security, the cost of the security which the Fund purchases upon exercise will be increased by the premium originally paid. The risk associated with purchasing options is limited to the premium originally paid.

L When-Issued Securities and Delayed Delivery Transactions The Fund may purchase or sell securities on a delayed delivery or when-issued basis. Payment and delivery may take place after the customary settlement period for that security. At the time the transaction is negotiated, the price of the security that will be delivered is fixed. The Fund maintains security positions for these commitments such that sufficient liquid assets will be available to make payments upon settlement. Securities purchased on a delayed delivery or when-issued basis are marked-to-market daily and begin earning interest on settlement date. Losses may arise due to changes in the market value of the underlying securities or if the counterparty does not perform under the contract.

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2 Distributions to Shareholders

Subject to its Managed Distribution Plan, the Fund intends to make quarterly distributions from its net investment income, net capital gain (which is the excess of net long-term capital gain over net short-term capital loss) and other sources. The Fund intends to distribute all or substantially all of its net realized capital gains. Distributions are recorded on the ex-dividend date. The Fund distinguishes between distributions on a tax basis and a financial reporting basis. Accounting principles generally accepted in the United States of America require that only distributions in excess of tax basis earnings and profits be reported in the financial statements as a return of capital. Permanent differences between book and tax accounting relating to distributions are reclassified to paid-in capital. For tax purposes, distributions from short-term capital gains are considered to be from ordinary income. Distributions in any year may include a substantial return of capital component.

Eaton Vance

Tax-Advantaged Bond and Option Strategies Fund

December 31, 2013

Notes to Financial Statements continued

The tax character of distributions declared for the years ended December 31, 2013 and December 31, 2012 was as follows:

	Year Ended December 31,	
	2013	2012
Distributions declared from:		
Tax-exempt income	\$ 639,683	\$ 383,485
Ordinary income	\$ 138,809	\$ 6,009,517
Long-term capital gains	\$	\$ 10,101,956
Tax return of capital	\$ 17,180,695	\$ 1,451,180

During the year ended December 31, 2013, accumulated net realized loss was increased by \$1,506 and accumulated distributions in excess of net investment income was decreased by \$1,506 due to differences between book and tax accounting, primarily for accretion of market discount and investments in partnerships. These reclassifications had no effect on the net assets or net asset value per share of the Fund.

As of December 31, 2013, the components of distributable earnings (accumulated losses) and unrealized appreciation (depreciation) on a tax basis were as follows:

Deferred capital losses	\$ (10,503,523)
Net unrealized appreciation	\$ 4,152,227
Other temporary differences	\$ (4,490,884)

The differences between components of distributable earnings (accumulated losses) on a tax basis and the amounts reflected in the Statement of Assets and Liabilities are primarily due to purchased and written options contracts, the timing of recognizing distributions to shareholders, investments in partnerships and accretion of market discount.

3 Investment Adviser and Administration Fee and Other Transactions with Affiliates

The investment adviser and administration fee is earned by EVM as compensation for management, investment advisory and administrative services rendered to the Fund. The fee is computed at an annual rate of 1.25% of the Fund's average daily net assets up to and including \$1.5 billion and at reduced rates on daily net assets over \$1.5 billion, and is payable monthly. For the year ended December 31, 2013, the investment adviser and administration fee amounted to \$2,214,115 or 1.25% of the Fund's average daily net assets. The Fund invests its cash in Cash Reserves Fund. EVM does not currently receive a fee for advisory services provided to Cash Reserves Fund. Pursuant to a sub-advisory agreement, EVM has delegated a portion of the investment management to Parametric Risk Advisors LLC (PRA), an indirect affiliate of EVM. EVM pays PRA a portion of its advisory and administration fee for sub-advisory services provided to the Fund.

Trustees and officers of the Fund who are members of EVM's organization receive remuneration for their services to the Fund out of the investment adviser and administration fee. Trustees of the Fund who are not affiliated with EVM may elect to defer receipt of all or a percentage of their annual fees in accordance with the terms of the Trustees Deferred Compensation Plan. For the year ended December 31, 2013, no significant amounts have been deferred. Certain officers and Trustees of the Fund are officers of EVM.

4 Purchases and Sales of Investments

Purchases and sales of investments, other than short-term obligations and including maturities, aggregated \$84,492,277 and \$88,011,316, respectively, for the year ended December 31, 2013.

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5 Common Shares of Beneficial Interest

The Fund may issue common shares pursuant to its dividend reinvestment plan. Common shares issued by the Fund for the year ended December 31, 2013 were 10,234. There were no common shares issued by the Fund for the year ended December 31, 2012.

On November 11, 2013, the Board of Trustees of the Fund authorized the repurchase by the Fund of up to 10% of its then currently outstanding common shares in open-market transactions at a discount to net asset value. The repurchase program does not obligate the Fund to purchase a specific amount of shares. There were no repurchases of common shares by the Fund for the year ended December 31, 2013.

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Tax-Advantaged Bond and Option Strategies Fund

December 31, 2013

Notes to Financial Statements continued