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BlackRock Taxable Municipal Bond Trust
Form N-CSRS
April 05, 2017

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 811-22426

Name of Fund: BlackRock Taxable Municipal Bond Trust (BBN)

Fund Address: 100 Bellevue Parkway, Wilmington, DE 19809

Name and address of agent for service: John M. Perlowski, Chief Executive Officer, BlackRock Taxable Municipal Bond Trust, 55 East 52nd Street, New York, NY 10055

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

Date of fiscal year end: 07/31/2017

Date of reporting period: 01/31/2017

Item 1 Report to Stockholders

SEMI-ANNUAL REPORT (UNAUDITED)

BlackRock Taxable Municipal Bond Trust (BBN)

Not FDIC Insured May Lose Value No Bank Guarantee

The Markets in Review

Dear Shareholder,

The 12 months ended January 31, 2017 was an exceptionally strong period for risk assets (such as stocks and high yield bonds), while higher-quality assets generated muted returns after struggling in the latter part of 2016. As the period began, worries about slowing growth in China and the instability of oil prices had global equity prices sliding. However, the broad market momentum shifted in the second half of 2016 as reflationary expectations in the United States helped drive a pick-up in global growth.

Markets were remarkably resilient during the period. Big surprises such as the United Kingdom's vote to leave the European Union and the outcome of the U.S. presidential election brought spikes in equity market volatility, but they were ultimately short-lived. Instead, investors used the sell-offs to seize upon buying opportunities, allowing markets to quickly rebound. We believe this reinforces the case for taking the long view rather than reacting to short-term market noise.

The global reflationary theme—rising nominal growth, wages and inflation—was the dominant driver of asset returns during the period, outweighing significant political upheavals and uncertainty. This trend accelerated after the U.S. election and continued into the beginning of 2017, stoked by expectations for an extra boost to U.S. growth via fiscal policy.

Although economic momentum is gaining traction, the capacity for rapid global growth is restrained by structural factors including an aging population, low productivity growth and excess savings. A tempered economic growth trend and high valuations across most assets have set the stage for muted investment returns going forward.

Equity markets still have room to move, although the disparity between winners and losers is widening, making stock selection increasingly important. Fixed income investors are also facing challenges as bond markets recalibrate to accommodate rising rates and higher inflation expectations. And in a world where political risk and policy uncertainty abound, there is no lack of potential catalysts for higher volatility.

In this environment, investors need to think globally, extend their scope across a broad array of asset classes and be nimble as market conditions change. We encourage you to talk with your financial advisor and visit blackrock.com for further insight about investing in today's markets.

Sincerely,

Rob Kapito

President, BlackRock Advisors, LLC

Rob Kapito

President, BlackRock Advisors, LLC

Total Returns as of January 31, 2017

	6-month	12-month
U.S. large cap equities (S&P 500® Index)	5.96%	20.04%
U.S. small cap equities (Russell 2000® Index)	12.43	33.53
International equities (MSCI Europe, Australasia, Far East Index)	3.49	12.03
Emerging market equities (MSCI Emerging Markets Index)	4.92	25.41
3-month Treasury bills (BofA Merrill Lynch 3-Month U.S. Treasury Bill Index)	0.20	0.37

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U.S. Treasury securities (BofA Merrill Lynch 10-Year U.S. Treasury Index)	(7.87)	(3.26)
U.S. investment grade bonds (Bloomberg Barclays U.S. Aggregate Bond Index)	(2.95)	1.45
Tax-exempt municipal bonds (S&P Municipal Bond Index)	(2.94)	0.24
U.S. high yield bonds (Bloomberg Barclays U.S. Corporate High Yield 2% Issuer Capped Index)	6.09	20.77

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

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BLACKROCK TAXABLE MUNICIPAL BOND TRUST

JANUARY 31, 2017

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The Benefits and Risks of Leveraging

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

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

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

However, in order to benefit Common Shareholders, the return on assets purchased with leverage proceeds must exceed the ongoing costs associated with the leverage. If interest and other costs of leverage exceed the Trust's return on assets purchased with leverage proceeds, income to shareholders is lower than if the Trust had not used leverage. Furthermore, the value of the Trust's portfolio investments generally varies inversely with the direction of long-term interest rates, although other factors can influence the value of portfolio investments. In contrast, the value of the Trust's

obligations under its respective leverage arrangements generally does not fluctuate in relation to interest rates. As a result, changes in interest rates can influence the Trust's NAV positively or negatively. Changes in the future direction of interest rates are very difficult to predict accurately, and there is no assurance that the Trust's intended leveraging strategy will be successful.

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

The Trust may utilize leverage through reverse repurchase agreements as described in the Notes to Financial Statements.

Under the Investment Company Act of 1940, as amended (the 1940 Act), the Trust is permitted to issue debt up to ~~33~~33% of its total managed assets. The Trust may voluntarily elect to limit its leverage to less than the maximum amount permitted under the 1940 Act.

If the Trust segregates or designates on its books and records cash or liquid assets having a value not less than the value of the Trust's obligations under the reverse repurchase agreement (including accrued interest), then such transaction is not considered a senior security and is not subject to the foregoing limitations and requirements under the 1940 Act. The Trust may use combined economic leverage of up to 100% of its net assets (50% of its Managed Assets).

Derivative Financial Instruments

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The Trust may invest in various derivative financial instruments. These instruments are used to obtain exposure to a security, commodity, index, market, and/or other asset without owning or taking physical custody of securities, commodities and/or other referenced assets or to manage market, equity, credit, interest rate, foreign currency exchange rate, commodity and/or other risks. Derivative financial instruments may give rise to a form of economic leverage and involve risks, including the imperfect correlation between the value of a derivative financial instrument and the underlying asset, possible default of the counterparty to the transaction or illiquidity of the instrument. The Trust may use combined

economic leverage of up to 100% of its net assets (50% of its Managed Assets). The Trust's successful use of a derivative financial instrument depends on the investment adviser's ability to predict pertinent market movements accurately, which cannot be assured. The use of these instruments may result in losses greater than if they had not been used, may limit the amount of appreciation the Trust can realize on an investment and/or may result in lower distributions paid to shareholders. The Trust's investments in these instruments, if any, are discussed in detail in the Notes to Financial Statements.

Trust Summary as of January 31, 2017

Trust Overview

BlackRock Taxable Municipal Bond Trust s (BBN) (the Trust) investment objective is to seek high current income, with a secondary objective of capital appreciation. The Trust seeks to achieve its investment objectives by investing primarily in a portfolio of taxable municipal securities, including Build America Bonds (BABs), issued by state and local governments to finance capital projects such as public schools, roads, transportation infrastructure, bridges, ports and public buildings.

The Trust originally sought to achieve its investment objectives by investing primarily in a portfolio of BABs, which are taxable municipal securities issued pursuant to the American Recovery and Reinvestment Act of 2009. Given the uncertainty around the BABs program at the time of the Trust s launch in 2010, the Trust s initial public offering prospectus included a Contingent Review Provision. For any 24-month period, if there were no new issuances of BABs or other analogous taxable municipal securities, the Board of Trustees (the Board) would undertake an evaluation of potential actions with respect to the Trust. Under the Contingent Review Provision, such potential action may include changes to the Trust s non-fundamental investment policies to broaden its primary investment focus to include taxable municipal securities generally. The BABs program expired on December 31, 2010 and was not renewed. Accordingly, there have been no new issuances of BABs since that date.

Pursuant to the Contingent Review Provision, on June 12, 2015, the Board approved a proposal to amend the Trust s investment policy from Under normal market conditions, the Trust invests at least 80% of its managed assets in BABs to Under normal market conditions, the Trust invests at least 80% of its managed assets in taxable municipal securities, which include BABs , and to change the name of the Trust from BlackRock Build America Bond Trust to BlackRock Taxable Municipal Bond Trust. These changes became effective on August 25, 2015.

The Trust continues to maintain its other investment policies, including its ability to invest up to 20% of its managed assets in securities other than taxable municipal securities. Such other securities may include tax-exempt securities, U.S. Treasury securities, obligations of the U.S. Government, its agencies and instrumentalities and corporate bonds issued by issuers that have, in the Manager s view, typically been associated with or sold in the municipal market. Bonds issued by private universities and hospitals or bonds sold to finance military housing developments are examples of such securities. The Trust also continues to invest at least 80% of its managed assets in securities that at the time of purchase are investment grade quality.

As used herein, managed assets means the total assets of the Trust (including any assets attributable to money borrowed for investment purposes) minus the sum of the Trust s accrued liabilities (other than money borrowed for investment purposes).

As of January 31, 2017, 80% of the Trust s portfolio are BABs. Like other taxable municipal securities, interest received on BABs is subject to U.S. tax and may be subject to state income tax. Issuers of direct pay BABs, however, are eligible to receive a subsidy from the U.S. Treasury of up to 35% of the interest paid on the BABs. This allowed such issuers to issue bonds that pay interest rates that were expected to be competitive with the rates typically paid by private bond issuers in the taxable fixed income market. While the U.S. Treasury subsidizes the interest paid on BABs, it does not guarantee the principal or interest payments on BABs, and there is no guarantee that the U.S. Treasury will not reduce or eliminate the subsidy for BABs in the future. As of the date of this report, the subsidy that issuers of direct pay BABs receive from the U.S. Treasury has been reduced from original level as the result of budgetary sequestration, which has resulted, and which may continue to result, in early redemptions of BABs at par value. Such early redemptions at par value may result in a potential loss in value for investors of such BABs, including the Trust, who may have purchased the securities at prices above par, and may require the Trust to reinvest redemption proceeds in lower-yielding securities, which could reduce the Trust s income and distributions.

No assurance can be given that the Trust s investment objectives will be achieved.

Trust Information

Symbol on New York Stock Exchange (NYSE)	BBN
Initial Offering Date	August 27, 2010
Current Distribution Rate on Closing Market Price as of January 31, 2017 (\$22.06) ¹	7.17%
Current Monthly Distribution per Common Share ²	\$0.1318
Current Annualized Distribution per Common Share ²	\$1.5816
Economic Leverage as of January 31, 2017 ³	36%

¹ Current Distribution Rate on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. The current distribution rate may consist of income, net realized gains and/or a return of capital. Past performance does not guarantee future results.

² The distribution rate is not constant and is subject to change.

³ Represents reverse repurchase agreements as a percentage of total managed assets, which is the total assets of the Trust, including any assets attributable to reverse repurchase agreements, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Trust, please see The Benefits and Risks of Leveraging on page 4.

Taxable Municipal Bond Overview

Taxable municipal bonds typically trade at a spread (or extra yield) relative to U.S. Treasury bonds with similar maturities. Yields on Treasury bonds rose sharply (as prices fell) during the reporting period, which corresponded with a general decrease in the prices of taxable municipal bonds. Given this negative backdrop, the Bloomberg Barclays Taxable Municipal: U.S. Aggregate Eligible Index returned (6.84)% for the six-month period ended January 31, 2017.

Spreads on taxable municipals (including BABs) generally tightened on the strength of improving investor risk appetites and consistent demand, which helped limit the extent of the losses. However, certain bonds in the taxable municipal sector experienced more meaningful changes in their individual yield spreads. For instance, spreads on certain healthcare-related securities failed to enjoy the same tightening as other non-healthcare-related bonds due to expectations that the Republican-led government will repeal the Affordable Care Act. The overall taxable municipal market was also somewhat impacted by a pending change in the size of deals that will be considered index-eligible. Index eligibility can influence the liquidity and yield spreads of individual securities. Given that the size necessary for a deal to be index-eligible is slated to rise from \$250 million to \$300 million, many existing securities will fall out of the index. Already, this expected change has contributed to increased overall flows in the taxable municipal market.

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

Performance

Returns for the six months ended January 31, 2017 were as follows:

	Returns Based On	
	Market Price	NAV
BBN ^{1,2}	(6.50)%	(5.81)%
Lipper General Bond Funds ³	5.41%	6.19%
Bloomberg Barclays Taxable Municipal: U.S. Aggregate Eligible Index ⁴	N/A	(6.84)%

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

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

³ Average return.

⁴ An unleveraged index.

N/A Not applicable as the index does not have a market price.

Performance results may include adjustments made for financial reporting purposes in accordance with U.S. generally accepted accounting principles. The following discussion relates to the Trust's absolute performance based on NAV:

The Trust's duration positioning detracted from results on an absolute basis given that the yields on taxable municipal bonds rose aggressively. (Duration is a measure of interest-rate sensitivity.)

Portfolio income, which was enhanced by the Trust's use of leverage, made a positive contribution during a period of falling prices. However, leverage also served to accentuate the price declines associated with rising yields.

The Trust also experienced a positive contribution from the use of U.S. Treasury futures as a means to manage risk against rising interest rates. The yield spreads of taxable municipal bonds generally tightened during the period, which further contributed to performance. Spread tightening was more pronounced after the U.S. presidential election, as investors generally perceived the event as being favorable for risk assets.

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

Market Price and Net Asset Value Per Share Summary

	1/31/17	7/31/16	Change	High	Low
Market Price	\$ 22.06	\$ 24.43	(9.70)%	\$ 25.56	\$ 19.50
Net Asset Value	\$ 22.76	\$ 25.02	(9.03)%	\$ 25.02	\$ 22.32

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

Overview of the Trust's Total Investments*

Sector Allocation	1/31/17	7/31/16
Utilities	28%	27%
Transportation	22	22
County/City/Special District/School District	20	21
State	12	11
Education	11	11
Tobacco	4	4
Health Care Providers & Services	1	1
Housing	1	1
Corporate	1	1
Commercial Services & Supplies		1

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

Call/Maturity Schedule³

Calendar Year Ended December 31,

2017	2%
2018	
2019	4
2020	26
2021	1

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

* Excludes short-term securities.

Credit Quality Allocation¹

	1/31/17	7/31/16
AAA/Aaa	6%	4%
AA/Aa	50	54

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A	33	29
BBB/Baa	6	7
BB/Ba	1	2
B	3	4
N/R	1	²

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

² Represents less than 1%.

BLACKROCK TAXABLE MUNICIPAL BOND TRUST

JANUARY 31, 2017

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Schedule of Investments January 31, 2017 (Unaudited)

(Percentages shown are based on Net Assets)

	Par (000)	Value
Corporate Bonds		
Diversified Financial Services 0.2%		
Western Group Housing LP, 6.75%, 3/15/57 (a)	\$ 2,500	\$ 3,089,200
Education 1.1%		
Massachusetts Institute of Technology, 3.89%, 7/01/16	4,878	4,190,085
Wesleyan University, 4.78%, 7/01/16	11,000	10,466,269
		14,656,354
Health Care Providers & Services 1.5%		
New York and Presbyterian Hospital, 3.56%, 8/01/36	2,500	2,382,418
Ochsner Clinic Foundation, 5.90%, 5/15/45	5,000	5,831,585
RWJ Barnabas Health, Inc., 3.95%, 7/01/46	11,657	10,616,799
		18,830,802
Total Corporate Bonds 2.8%		36,576,356

Municipal Bonds

Arizona 2.2%		
Salt River Project Agricultural Improvement & Power District, RB, Build America Bonds, Series A, 4.84%, 1/01/41 (b)	25,000	28,762,250
California 34.3%		
Bay Area Toll Authority, RB, Build America Bonds, San Francisco Toll Bridge:		
Series S-1, 6.92%, 4/01/40	13,700	18,591,174
Series S-1, 7.04%, 4/01/50	9,170	12,986,004
Series S-3, 6.91%, 10/01/50	14,000	19,707,100
City of San Francisco California, Public Utilities Commission Water Revenue, RB, Build America Bonds, Sub-Series E, 6.00%, 11/01/40 (b)	21,255	26,135,148
City of San Jose California, Refunding ARB, Series B (AGM), 6.60%, 3/01/41 (b)	10,000	11,256,400
County of Alameda California Joint Powers Authority, RB, Build America Bonds, Recovery Zone, Series A, 7.05%, 12/01/44 (b)	11,000	15,200,460
County of Orange California Local Transportation Authority, Refunding RB, Build America Bonds, Series A, 6.91%, 2/15/41	5,000	6,802,150
County of Sonoma California, Refunding RB, Pension Obligation, Series A, 6.00%, 12/01/29	14,345	16,769,305
Los Angeles Community College District California, GO, Build America Bonds, 6.60%, 8/01/42 (b)	10,000	14,117,900
Los Angeles Department of Water & Power, RB, Build America Bonds (b):		
6.17%, 7/01/40	37,500	41,766,000
7.00%, 7/01/41	17,225	19,352,287
Metropolitan Water District of Southern California, RB, Build America Bonds, Series A, 6.95%, 7/01/40 (b)	12,000	13,813,440
Palomar Community College District, GO, Build America Bonds, Series B-1, 7.19%, 8/01/45	7,500	8,644,050

Municipal Bonds

	Par (000)	Value
California (continued)		
Rancho Water District Financing Authority, RB, Build America Bonds, Series A, 6.34%, 8/01/40 (b)	\$ 20,000	\$ 22,492,200
Riverside Community College District Foundation, GO, Build America Bonds, Series D-1, 7.02%, 8/01/40 (b)	11,000	12,692,680
San Diego County Regional Airport Authority, ARB, Series B, 5.59%, 7/01/43	4,000	4,414,360
San Diego County Regional Airport Authority, Refunding ARB, Build America Bonds, Sub-Series C, 6.63%, 7/01/40	32,100	36,317,298
State of California, GO, Build America Bonds:		
7.30%, 10/01/39 (b)	5,445	7,647,666
Various Purposes, 7.55%, 4/01/39 (b)	9,035	13,304,670
Various Purposes, 7.63%, 3/01/40 (b)	8,950	13,074,787
Various Purposes, 7.60%, 11/01/40	15,000	22,437,450
	18,145	26,182,146

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State of California Public Works Board, RB, Build America Bonds, Series G-2, 8.36%, 10/01/34		
University of California, RB, Build America Bonds (b):		
5.95%, 5/15/45	24,000	29,881,200
6.30%, 5/15/50	27,010	31,820,211
		445,406,086
Colorado 3.4%		
City & County of Denver Colorado School District No. 1, COP, Refunding, Denver Colorado Public Schools, Series B, 7.02%, 12/15/37 (b)		
	6,000	8,047,620
Regional Transportation District, COP, Build America Bonds, Series B, 7.67%, 6/01/40 (b)		
	23,000	30,150,700
State of Colorado, COP, Build America Bonds, Building Excellent Schools, Series E, 7.02%, 3/15/31		
	5,000	5,745,750
		43,944,070
Connecticut 1.1%		
Town of Stratford Connecticut, GO, Pension Funding, 6.00%, 8/15/38		
	12,000	14,541,480
District of Columbia 3.4%		
Metropolitan Washington Airports Authority Dulles Toll Road Revenue, ARB, Build America Bonds:		
Series D, 8.00%, 10/01/47	10,750	14,322,117
Dulles Toll Road Revenue, 7.46%, 10/01/46	9,235	13,052,934
Washington Convention & Sports Authority, Refunding RB, Series C, 7.00%, 10/01/40	15,000	16,956,450
		44,331,501
Florida 5.3%		
City of Sunrise Florida Utility System, Refunding RB, Build America Bonds, Series B, 5.91%, 10/01/35 (b)		
	23,000	25,460,540
County of Miami-Dade Florida Aviation Revenue, Refunding RB, Series B, 2.60%, 10/01/25		
	9,670	9,080,517

Portfolio Abbreviations

AGM	Assured Guaranty Municipal Corp.	GO	General Obligation Bonds	M/F	Multi-Family
ARB	Airport Revenue Bonds	HFA	Housing Finance Agency	NPFGC	National Public Finance Guarantee Corp.
COP	Certificates of Participation	ISD	Independent School District	RB	Revenue Bonds
EDA	Economic Development Authority	LRB	Lease Revenue Bonds		

See Notes to Financial Statements.

Schedule of Investments (continued)

	Par (000)	Value
Municipal Bonds		
Florida (continued)		
County of Miami-Dade Florida Educational Facilities Authority, Refunding RB, Series B, 5.07%, 4/01/50	\$ 12,250	\$ 13,162,258
County of Pasco Florida Water & Sewer, RB, Build America Bonds, Series B, 6.76%, 10/01/39	1,500	1,676,145
Sumter Landing Community Development District, RB, Taxable Senior Recreational, Series 2016, 4.17%, 10/01/47	2,575	2,497,930
Town of Davie Florida Water & Sewer, RB, Build America Bonds, Series B (AGM), 6.85%, 10/01/40	2,500	2,839,075
Village Center Community Development District, Refunding RB, 5.02%, 11/01/36 (a)	13,500	14,055,120
		68,771,585
Georgia 5.3%		
Municipal Electric Authority of Georgia Plant Vogtle Units 3 & 4, Refunding RB, Build America Bonds, Series A:		
6.64%, 4/01/57	26,084	32,288,862
6.66%, 4/01/57	20,665	25,278,874
7.06%, 4/01/57	10,000	11,437,400
		69,005,136
Hawaii 2.6%		
University of Hawaii, RB, Build America Bonds, Series B-1, 6.03%, 10/01/40 (b)	30,500	33,767,160
Illinois 17.8%		
Chicago Transit Authority, RB:		
Build America Bonds, Series B, 6.20%, 12/01/40	16,015	18,976,334
Pension Funding, Series A, 6.90%, 12/01/40 (b)	4,075	5,117,833
Pension Funding, Series B, 6.90%, 12/01/40	4,900	6,153,959
City of Chicago Illinois, GO:		
Build America Bonds, Series B, 7.52%, 1/01/40	10,000	9,944,500
Taxable Project, Recovery Zone, Series D, 6.26%, 1/01/40	13,900	12,111,209
City of Chicago Illinois, Refunding ARB, O Hare International Airport, General 3rd Lien, Build America Bonds, Series B:		
6.85%, 1/01/38 (b)	30,110	33,703,930
6.40%, 1/01/40	1,500	1,967,115
City of Chicago Illinois Wastewater Transmission, RB, Build America Bonds, Series B, 6.90%, 1/01/40 (b)	36,000	44,428,680
City of Chicago Illinois Waterworks Transmission, RB, Build America Bonds, 2nd Lien, Series B, 6.74%, 11/01/40	15,250	19,342,795
Illinois Finance Authority, RB, Carle Foundation, Series A, 5.75%, 8/15/34	5,000	5,613,200
Illinois Municipal Electric Agency, RB, Build America Bonds, Series A, 7.29%, 2/01/35	15,000	18,766,350
Northern Illinois Municipal Power Agency, RB, Build America Bonds, Prairie State Project, Series A, 7.82%, 1/01/40	5,000	6,365,350
State of Illinois, GO, Build America Bonds:		
6.63%, 2/01/35	4,000	4,076,240
6.73%, 4/01/35	6,320	6,437,552
Pension, 7.35%, 7/01/35	35,855	38,077,651
		231,082,698
Municipal Bonds		
Indiana 1.7%		
Indiana Finance Authority, RB, Build America Bonds, Series B, 6.60%, 2/01/39	\$ 7,900	\$ 10,394,030
Indiana Municipal Power Agency, RB, Build America Bonds, Direct Payment, Series A, 5.59%, 1/01/42 (b)	10,000	11,740,800
		22,134,830
Kentucky 0.8%		
City of Wickliffe Kentucky, RB, MeadWestvaco Corp., 7.67%, 1/15/27 (a)	9,400	10,577,585
Maryland 0.0%		

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Maryland Community Development Administration, RB, Residential Housing, Series I, 6.50%, 3/01/43	505	506,475
Massachusetts 1.5%		
Commonwealth of Massachusetts Transportation Fund Revenue, RB, Build America Bonds, Recovery Zone, Series B, 5.73%, 6/01/40	5,000	6,350,850
Massachusetts Development Finance Agency, RB, Emmanuel College Issue, Series B, 3.98%, 10/01/30	9,070	8,701,849
Massachusetts HFA, Refunding RB, Series D, 7.02%, 12/01/42 (b)	3,645	3,913,017
		18,965,716
Michigan 1.7%		
Michigan State University, RB, Build America Bonds, General, Series A, 6.17%, 2/15/50	5,500	6,560,180
Michigan Tobacco Settlement Finance Authority, RB, Series A, 7.31%, 6/01/34	16,830	15,960,730
		22,520,910
Minnesota 1.2%		
Southern Minnesota Municipal Power Agency, Refunding RB, Build America Bonds, Series A, 5.93%, 1/01/43	8,000	9,402,320
Western Minnesota Municipal Power Agency, RB, Build America Bonds, Series C, 6.77%, 1/01/46	5,000	6,513,250
		15,915,570
Mississippi 0.5%		
Mississippi Development Bank, RB, Build America Bonds, Garvee, Series B, 6.41%, 1/01/40	5,000	6,134,900
Missouri 1.8%		
Missouri Joint Municipal Electric Utility Commission, RB, Build America Bonds, Plum Point Project, Series A, 7.73%, 1/01/39	11,000	14,484,470
University of Missouri, RB, Build America Bonds, Curators of the University, Series A, 5.79%, 11/01/41 (b)	7,000	9,115,960
		23,600,430
Nevada 1.3%		
City of North Las Vegas Nevada, GO, Build America Bonds, 6.57%, 6/01/40	2,500	2,498,525
County of Clark Nevada Department of Aviation, ARB, Build America Bonds: Series B, 6.88%, 7/01/42	10,000	11,164,100
Series C, 6.82%, 7/01/45	2,000	2,812,620
		16,475,245

See Notes to Financial Statements.

Schedule of Investments (continued)

	Par (000)	Value
Municipal Bonds		
New Jersey 13.4%		
County of Camden New Jersey Improvement Authority, LRB, Build America Bonds, Cooper Medical School of Rowan University Project, Series A, 7.75%, 7/01/34	\$ 5,000	\$ 5,635,050
New Jersey EDA, RB:		
Build America Bonds, Series CC-1, 6.43%, 12/15/35	12,000	12,808,560
Series A (NPFGC), 7.43%, 2/15/29 (b)	20,974	24,707,582
New Jersey State Housing & Mortgage Finance Agency, RB, M/F Housing, Series C (AGM), 6.65%, 11/01/44	14,360	15,010,795
New Jersey State Turnpike Authority, RB, Build America Bonds:		
Series A, 7.10%, 1/01/41 (b)	34,000	47,527,240
Series F, 7.41%, 1/01/40	6,790	9,848,080
New Jersey Transportation Trust Fund Authority, RB, Build America Bonds:		
Series B, 6.88%, 12/15/39	8,500	8,988,070
Series C, 5.75%, 12/15/28	4,500	4,661,550
Series C, 6.10%, 12/15/28 (b)	42,500	44,694,700
		173,881,627
New York 17.0%		
City of New York New York, GO, Build America Bonds, Sub-Series C-1, 5.82%, 10/01/31 (b)	15,000	16,743,450
City of New York New York Municipal Water Finance Authority, RB, Build America Bonds, 2nd General Resolution, Series DD, 6.45%, 6/15/41	6,300	7,108,857
City of New York New York Municipal Water Finance Authority, Refunding RB, Build America Bonds, 2nd General Resolution:		
Series AA, 5.79%, 6/15/41 (b)	25,000	27,760,000
Series CC, 6.28%, 6/15/42 (b)	20,000	22,608,600
Series EE, 6.49%, 6/15/42	2,000	2,261,680
Series GG, 6.12%, 6/15/42	2,445	2,738,913
City of New York New York Transitional Finance Authority, RB, Build America Bonds, Future Tax Secured:		
Sub-Series B-1, 5.57%, 11/01/38 (b)	19,000	23,113,880
Sub-Series C-2, 6.27%, 8/01/39	14,795	16,269,914
County of Nassau New York Tobacco Settlement Corp., Refunding RB, Series A1, 6.83%, 6/01/21	9,231	9,049,178
Metropolitan Transportation Authority, RB, Build America Bonds:		
Series A, 6.67%, 11/15/39	2,220	2,944,541
Series C, 7.34%, 11/15/39	13,245	19,355,581
Series C-1, 6.69%, 11/15/40	13,000	17,256,070
Port Authority of New York & New Jersey, ARB:		
Consolidated, 160th Series, 5.65%, 11/01/40	2,750	3,352,305
Series 1927d Series, 4.81%, 10/15/65	14,825	16,052,213
Port Authority of New York & New Jersey, Refunding ARB, Consolidated, 174th Series, 4.46%, 10/01/62	6,140	6,278,089
State of New York Dormitory Authority, RB, Build America Bonds, General Purpose, Series H, 5.39%, 3/15/40 (b)	15,000	18,154,800
State of New York Dormitory Authority, Refunding RB, Touro College & University, Series B, 5.75%, 1/01/29	10,300	10,151,165
		221,199,236
Municipal Bonds		
Ohio 6.3%		
American Municipal Power, Inc., RB, Build America Bonds, Combined Hydroelectric Projects, Series B, 7.83%, 2/15/41	\$ 10,000	\$ 14,182,600
County of Franklin Ohio Convention Facilities Authority, RB, Build America Bonds, 6.64%, 12/01/42 (b)	30,575	37,731,996
County of Hamilton Ohio Sewer System Revenue, RB, Build America Bonds, Series B, 6.50%, 12/01/34	7,000	7,842,660
Mariemont City School District, GO, Refunding, Build America Bonds, Series B, 6.55%, 12/01/47 (b)	10,055	11,165,173
Ohio University, RB, General Receipts, Athens, 5.59%, 12/01/14	10,100	10,569,246

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		81,491,675
Oklahoma 0.3%		
Oklahoma Municipal Power Authority, RB, Build America Bonds, 6.44%, 1/01/45	3,500	4,299,435
Pennsylvania 2.9%		
Commonwealth Financing Authority, RB, Series A, 4.14%, 6/01/38	10,855	10,508,183
Pennsylvania Economic Development Financing Authority, RB, Build America Bonds, Series B, 6.53%, 6/15/39	23,050	27,236,571
		37,744,754
South Carolina 1.1%		
South Carolina State Public Service Authority, RB, Build America Bonds, Series C, 6.45%, 1/01/50	11,290	14,856,963
Tennessee 3.6%		
Metropolitan Government of Nashville & Davidson County Convention Center Authority, RB, Build America Bonds, Series A2, 7.43%, 7/01/43	35,105	46,409,512
Texas 10.2%		
City of Austin Texas, RB, Travis, Williams and Hays Counties, Rental Car Specialty Facilities, 5.75%, 11/15/42	10,000	10,901,100
City of San Antonio Texas Customer Facility Charge Revenue, RB, 5.87%, 7/01/45	7,500	7,663,500
City of San Antonio Texas Public Service Board, RB, Build America Bonds, Electric & Gas Revenue, Series A, 6.17%, 2/01/41	19,000	20,752,560
City of San Antonio Texas Public Service Board, Refunding RB, Build America Bonds, Electric & Gas Revenue, Series B, 6.31%, 2/01/37 (b)	35,000	39,045,300
County of Bexar Texas Hospital District, GO, Build America Bonds, 5.41%, 2/15/40 (b)	18,000	19,324,440
Cypress-Fairbanks ISD, GO, Build America Bonds, Schoolhouse, Series B, 6.63%, 2/15/38	14,000	15,258,880
Dallas Area Rapid Transit, RB, Build America Bonds, Senior Lien, Series B, 5.02%, 12/01/48	2,500	2,926,325
Katy Texas ISD, GO, Build America Bonds, School Building, Series D, 6.35%, 2/15/41 (b)	5,000	5,581,500
North Texas Municipal Water District, RB, Build America Bonds, Series A, 6.01%, 9/01/40	10,000	11,029,400
		132,483,005

See Notes to Financial Statements.

Schedule of Investments (continued)

	Par (000)	Value
Municipal Bonds		
Utah 3.5%		
County of Utah Utah, RB, Build America Bonds, County Excise Tax Revenue, Recovery Zone, Series C, 7.13%, 12/01/39	\$ 11,800	\$ 13,258,952
Utah Transit Authority, RB, Build America Bonds, Subordinated, 5.71%, 6/15/40	26,405	31,846,806
		45,105,758
Virginia 1.8%		
Tobacco Settlement Financing Corp., Refunding RB, Series A-1, 6.71%, 6/01/46	30,165	23,154,352
Washington 2.0%		
Port of Seattle Washington, RB, Series B1, 7.00%, 5/01/36	5,000	5,506,400
Washington State Convention Center Public Facilities District, RB, Build America Bonds, Series B, 6.79%, 7/01/40	16,100	20,344,121
		25,850,521
West Virginia 2.2%		
West Virginia Tobacco Settlement Finance Authority, RB, Series A, 7.47%, 6/01/47	33,460	29,314,975
	Par (000)	Value
Municipal Bonds		
Wisconsin 0.3%		
State of Wisconsin, Refunding RB, Series B, 3.29%, 5/01/37	\$ 4,975	\$ 4,512,076
Total Municipal Bonds 150.5%		1,956,747,516
Total Long-Term Investments		
(Cost \$1,747,354,900) 153.3%		1,993,323,872
Short-Term Securities 0.9%		
	Shares	
BlackRock Liquidity Funds, T-Fund, Institutional Class, 0.40% (c)(d)	11,308,543	11,308,543
Total Short-Term Securities		
(Cost \$11,308,543) 0.9%		11,308,543
Total Investments (Cost \$1,758,663,443) 154.2%		2,004,632,415
Liabilities in Excess of Other Assets (54.2)%		(704,622,711)
Net Assets 100.0%		\$ 1,300,009,704

Notes to Schedule of Investments

- (a) Security exempt from registration pursuant to Rule 144A under the Securities Act of 1933, as amended. These securities may be resold in transactions exempt from registration to qualified institutional investors.
- (b) All or a portion of security has been pledged as collateral in connection with outstanding reverse repurchase agreements.
- (c) During the six months ended January 31, 2017, investments in issuers considered to be affiliates of the Trust for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

Affiliate	Shares Held at July 31, 2016	Net Activity	Shares Held at January 31, 2017	Value at January 31, 2017	Income	Net Realized Gain ¹	Change in Unrealized Appreciation (Depreciation)
BlackRock Liquidity Funds, T-Fund, Institutional Class		11,308,543	11,308,543	\$ 11,308,543	\$ 17,965		

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BlackRock Liquidity Funds, TempFund, Institutional Class	10,067,354	(10,067,354)		3,304	\$	130
Total			\$ 11,308,543	\$ 21,269	\$	130

¹ Includes net capital gain distributions.

(d) Current yield as of period end.

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

Reverse Repurchase Agreements

Counterparty	Interest Rate	Trade Date	Maturity Date ¹	Face Value	Face Value Including Accrued Interest	Type of Non-Cash Underlying Collateral	Remaining Contractual Maturity of the Agreements ²
RBC Capital Markets LLC	0.85%	5/31/16	Open	\$ 11,250,000	\$ 11,315,344	Municipal Bonds	Open/Demand
RBC Capital Markets LLC	0.85%	11/2/16	Open	10,100,000	10,121,701	Municipal Bonds	Open/Demand
Mitsubishi UFJ Securities (USA), Inc.	0.85%	12/6/16	Open	7,267,986	7,277,767	Municipal Bonds	Open/Demand
Barclays Capital, Inc.	0.95%	12/15/16	Open	28,710,788	28,746,397	Municipal Bonds	Open/Demand
Barclays Capital, Inc.	0.95%	12/15/16	Open	13,425,000	13,441,651	Municipal Bonds	Open/Demand
Barclays Capital, Inc.	0.95%	12/15/16	Open	14,190,000	14,207,600	Municipal Bonds	Open/Demand
Barclays Capital, Inc.	0.95%	12/15/16	Open	8,583,750	8,594,396	Municipal Bonds	Open/Demand
Barclays Capital, Inc.	0.95%	12/15/16	Open	5,156,250	5,162,645	Municipal Bonds	Open/Demand
Barclays Capital, Inc.	0.95%	12/15/16	Open	20,675,000	20,700,643	Municipal Bonds	Open/Demand
Barclays Capital, Inc.	0.95%	12/15/16	Open	9,950,000	9,962,341	Municipal Bonds	Open/Demand
Barclays Capital, Inc.	0.95%	12/15/16	Open	23,488,750	23,517,883	Municipal Bonds	Open/Demand

See Notes to Financial Statements.

Schedule of Investments (continued)

Reverse Repurchase Agreements (continued)

Counterparty	Interest Rate	Trade Date	Maturity Date ¹	Face Value	Face Value Including Accrued Interest	Type of Underlying	Non-Cash Collateral	Remaining Contractual Maturity of the Agreements ²
Barclays Capital, Inc.								