

We wish to express our concern at the rumours emanating out of Canberra about the possibility of the abolition of the dividend imputation system.

Particularly at this time of global financial difficulty and economic recession, it is alarming to think that such a move is even contemplated. Investment in Australian companies will decline considerably, leading to reduced investment in the Australian economy and reduced jobs for Australian workers. Australia is currently in a better position than many other countries, and I think we can thank the strength of investment in our companies and hence our economy for that. Income from dividends will be less, affecting superannuation funds and self-funded retirees, because they would no longer have access to imputation credits. This hardly seems to be policy that is inducive to retirees funding their own retirement.

A return to double taxation by the abolition of the imputation credits is a backward step.

Yours faithfully,  
Derek and Glenice Allman, [removed for privacy reasons]