

Submission to the “Australia’s Future Tax System Review” (chaired by Tr Sec Ken Henry)
1 May 2009

We have a self-managed superannuation fund. We have always saved towards our retirement – something our aging society needs to do and has been encouraged to do by various governments.

We are alarmed that the “Australia’s Future Tax System Review” has been reported to be considering wiping out the dividend imputation scheme. This scheme – with its removal of double-taxation – has encouraged us to invest in Australian companies. We’re concerned that removing dividend imputation will reduce the value of our savings even further. We ask that you don’t change the existing scheme.

From what we’ve heard, it sounds like changes being considered would make Australian companies easier for foreign investors to buy and less attractive for Australian investors to buy – exposing them more to foreign takeover and the whims of overseas “head offices”.

Please re-consider! We will be relying on dividend income to live on, particularly the franking credits, when we retire and the reported possible changes would undo our efforts in saving to provide for our own future.

Stewart and Louisa Dennis
[removed for privacy reasons]