

Dear Sir/Madam

We are the trustees of a Self-Managed Superannuation Fund. We believe the tax system should support self-reliance in retirement saving and therefore support the choice and competition that SMSFs bring to Australia's superannuation system.

We are greatly concerned at reports that the Henry Tax Review is considering recommendations to remove or change the dividend imputation scheme. The current scheme helps to support our desire to invest in Australian companies. We believe a removal or change to the scheme is an unfair, unnecessary and retrograde step. We are greatly concerned that it will negatively impact the value of Australian companies we are invested in, who provide our dividend income, that include franking credits.

We are writing to highlight our concern for Australian investors who rely on dividend income, especially retirees, such as ourselves.

We regard the issue as serious enough to affect our voting decisions at the next Federal election.

Yours faithfully

Neville and Maxine Esau