

Dear Ken Henry,

As a self funded retiree who has NOT received either of the government stimulus packages, I am greatly concerned at recent media reports that dividend imputation may be removed or altered adversely.

Because I use a self managed superannuation fund (SMSF), I rely on dividend income. Clearly, the types of change mentioned will have a negative impact on the income of my SMSF.

The possible changes are said to promote investment in Australia by foreigners. However, the changes will also reduce the incentive for Australians to invest in Australian companies (especially retirees who depend on dividend income). The possible changes will have a negative impact on the value of Australian companies that provide dividend income including franking credits.

I believe the tax system should support self reliance in retirement and hence should encourage SMSFs.

In summary, would you please support self funded retirees and not suggest adverse changes to the dividend imputation scheme.

Yours sincerely,

Anthony Gay