

Australia's Future Tax System Review

AFTSubmissions@treasury.gov.au

My husband and I have a self managed superannuation fund. We have spent many years saving for our retirement and we believe the tax system should be supporting this self-reliance in retirement saving especially in the current difficult financial situation.

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 that 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 which we invest in and which provide us with dividend income that includes franking credits. I would also note that these companies employ Australians.

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

Significant cuts in retirement incomes from changes to the dividend imputation scheme will discourage Australians from saving for their retirement and may shift many currently self-supporting retirees into the pension system at an inevitable cost to the taxpayer.

Yours sincerely

Gayle Ginnane
[removed for privacy reasons]

29 April 2009