

My wife and I are self-funded retirees and use our self-managed superannuation fund for allocated pensions payable to us. We believe the tax system should be supporting self-reliance in retirement, saving, and therefore, supporting 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 the government's 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 us with dividend income which includes franking credits. These dividends, which have been reduced greatly over the past year, and the franking credits are our source of income.

We are writing to you to highlight our concern for Australian investors who rely on dividend income, especially retirees who are trying very hard to provide for their own retirement and not be a burden to the Australian taxpayer.

Our income has been decimated in the past year. The last thing we need is more "decimation"! We would appreciate a reply from you regarding your thoughts on this matter

Yours faithfully

PETER AND LOUISE HAILES  
[removed for privacy reasons]