

We are writing this submission to express our concerns with the possible direction being taken by "Australia's Future Tax System Review", and its harmful impacts on our retirement savings.

As members of a Self Managed Superannuation Fund we believe the tax system should be supporting self reliance in retirement savings and therefore supporting the choice and competition that SMSFs bring to Australia's superannuation system. We believe that any changes to dividend imputation, which includes cash refund credits, would unfairly undermine individuals like us who rely on imputation and are already under pressure from share market investments.

As SMSF beneficiaries we are extremely concerned at reports that the Henry Tax Review is considering recommendations to remove or modify the dividend imputation scheme. The current scheme assists support of investment in Australian companies. We believe that a removal or change to the scheme is unfair and a retrograde step. We are concerned that changes will negatively impact on the value of Australian companies that we have invested in, which provide us with dividend income that includes franking credits.

As retirees we rely on this dividend income and take a very dim view of the rumoured changes to the imputation scheme. Without asking for government pensions we have made provision for our own retirement financing and will be greatly impacted by these changes.

At this stage we can only hope that these proposed modifications do not occur.

Yours sincerely,
Margaret and John Heathers

[removed for privacy reasons]