

Dear Sir

I understand that the Dividend Imputation System is being considered for changes.

The purpose of this letter is to outline my opinion on the importance of the Dividend Imputation System to those like my wife and I who have sacrificed and saved over our lifetime to position ourselves to be self sufficient in retirement and to not be a financial drain on the Federal Government. We are self funded retirees who have a Self Managed Superannuation Fund (SMSF) and I further advise that we have never received any type of Government funded financial assistance.

I am greatly concerned about reports that the Henry Tax Review is considering recommendations to remove or change the Dividend Imputation Scheme. The current scheme helps in my desire to promote investment in Australian companies. I believe removal or change to the scheme would be unfair, unnecessary and a backwards step.

Any change to the franking system on Australian shares where franking credits are refunded to share holders in Australian Companies will not only disadvantage self funded pensioners, as we rely on dividend income, but is also likely to disadvantage Australian Companies by reducing investment from superannuation funds. This is of great concern to me.

The tax system should be supporting self-reliance in retirement saving and therefore supporting choice and competition that SMSFs bring to the Australia's superannuation system.

Through my working life I have been disadvantaged by many Federal Government initiatives, particularly the introduction of the superannuation surcharge scheme in 1997. For example we did not receive a stimulation package. Please give us a break.

Yours faithfully

N. J. and R. A. Hewitt  
[removed for privacy reasons]