

We wish to express our concern, as investors who rely on income from our self managed superannuation fund, at reports that the Henry Tax Review is considering recommendations to remove or change the dividend imputation scheme.

We believe that the taxation system should support self reliance in retirement saving and therefore support the choice and competition that self funded retirement funds bring to Australia's superannuation system. It was our understanding that this is (was?) Government policy.

The current scheme encourages investors to invest in Australian companies. We do not believe that the proposed changes, as we understand them, will continue to do so; and we are concerned that they will have a negative impact on the value of the companies we have invested in and which provide us with income that includes franking credits.

Michael & Anne Hodgkin