

Dear Mr Henry,

I wish to object in the strongest possibly way to the proposed changes to the current dividend imputation system that was introduced by the Hawke/Keating government in 1987. Over the past 20 to 30 years we have worked and have made substantial contributions to our self managed super fund on the belief that the imputation credits system introduced by Paul Keating in 1987 would allow us to support ourselves in retirement from extra income that we would receive from imputation credits. If the current imputation credit system is changed we as self funded retirees would see our income drop and we would be forced on to the government pension.

If changes to the current imputation scheme are made, we see the results as horrendous. Self funded retirees would see their incomes drop and returns from superannuation funds would fall because they would no longer have access to imputation credits. Paul Keating took away the double taxation on dividends, the Rudd/Swan government wants to reintroduce double taxation on dividends and penalize those self funded retirees who want to support themselves. Companies will not grow, individuals will stop investing in the stock market and the over all returns from investing in shares will diminish. Surely you are not considering making these changes just to force people to invest in interest bearing accounts and government bonds.

We have spent [removed for privacy reasons] years of our life making contributions to our super fund on the belief that the current dividend imputation system would not be altered. We now get to retirement age and the Rudd/Swan government are considering changing the rules to decrease our retirement income. We are very angry and annoyed that a labour government is considering changing the current imputation system to reduce our retirement income. Where is the fairness for self funded retirees if these changes are made?

Yours faithfully,  
Doug Lawton