

Australia's Future Tax System Review - dividend imputation scheme

I am recently retired at the very worst time! I have worked hard and saved to be independent in my retirement. I have a small portfolio of shares in a self managed superannuation fund. Last year I turned [removed for privacy reasons].

I have always believed that the taxation system should be aimed at supporting self-reliance in retirement savings. I strongly support the choice and competition that SMSF's bring to the Australian superannuation system.

However, I have recently become aware that the Henry Tax Review is considering recommendations to remove or change the **dividend imputation scheme**.

The current scheme helps to support my desire to invest in Australian Companies. I believe a removal or change to the scheme would be unfair, unnecessary and a retrograde step. I am greatly concerned that it will negatively impact the value of Australian Companies I am invested in who provide me with dividend income which includes franking credits. In fact, since the serious decline in the value of my share portfolio and the decrease in dividend earnings (global and Australian recession), the franking credit has become even more important to my income stream.

I am therefore writing to you to highlight my concern for Australian investors who rely on dividend income, especially retirees such as myself.

I regard this issue seriously enough to affect my voting decision at the next Federal Election.

Yours sincerely

Valerie Mallett