

Dear Sir,

I sincerely hope that the rumour that the Government is even considering the possibility of doing away with dividend imputation is completely untrue.

I simply cannot believe that any responsible Government could possibly consider doing away with such a wonderfully successful system brought in by the Keating Labour Government.

It has done wonders for the Australian economy, share market, businesses, jobs, superannuation investors and more since it was brought in, in place of a totally antiquated and unfair system that previously existed.

Should the imputation system be abolished, it would have devastating and unaffordable effects on investors (particularly self funded retirees) businesses, superannuation funds, employment, confidence, and consequently the economy of Australia (even if company tax were to be reduced somewhat). How could double taxation possibly be considered again. It seems beyond belief.

Should the rumour have any credibility at all, I urge the Government to reconsider.

The Labour Government of the day deserved and received great credit for its actions in establishing the imputation system.

Surely today's Labour Government could not be so short sighted. However, if true, it will surely be its deathknell at the next election.

Yours faithfully,
Peter McAuley.