

The Tax Review Secretariat  
Australia's Future Tax System Review Board  
Treasury Secretary  
Ken Henry

Dear Sir,

I am writing to you about my growing concerns with the direction being taken by you and members of your Board in review of Australia's future tax system and the possible harmful impacts on my retirement savings.

I have recently learnt that you are considering plans to wind back or eliminate Australia's dividend imputation, or franking credit, system.

I am a self-funded retiree and a member and user of my Self-Managed Superannuation Fund and make the following strong points in support of retaining the franking credit system:

1. I believe the tax system should be supporting self-reliance in retirement saving and therefore supporting the choice and competition that SMSFs bring to Australia's superannuation system.
2. I am greatly concerned at reports 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 is an unfair, unnecessary and retrograde step. I am greatly concerned that it will negatively impact the value of Australian companies I am invested in who provide me dividend income that include franking credits.
3. Removal or winding back the imputation scheme would unfairly and unnecessarily undermine my investments reliant on imputation.
4. I am writing to highlight my concern for Australian investors who rely on dividend income, especially people like me who are retirees.

I urge the Review Board to retain the present system.

Please copy and distribute this letter to all persons who are members of the review board.

Yours faithfully,

**Irene E Merretz**

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