

Sir/Madam

I am a trustee of Self-Managed Superannuation Fund since [removed for privacy reasons]. My wife and I are making regular contributions to SMSF with the intention that the income from SMSF will assist us in our retirement without us being a burden on tax system. In exchange we believe that the tax system should be supporting self-reliance in retirement saving. It has to recognise the choice and competition that SMSFs bring to Australia's superannuation system.

As a well-informed trustee of a complying SMSF, I am greatly concerned at reports that the Henry Tax Review is considering recommendations to remove or change the divided imputation scheme. The Scheme as it exists is an incentive for us to invest in Australian companies. I believe that a removal or change of the scheme is unfair, unnecessary and retrograde step however well-intentioned it might be. I am greatly concerned that it will negatively impact the value of Australian companies that I invest in and who provide me dividend income that include franking credits.

Already battered by the current economic situation self funded retirees who rely on divided income will be forced to seek assistance from the public exchequer already overstretched.

The issue warrants serious reconsideration of voting decision at the next Federal Election.

Yours sincerely

Katte Prakash