

Dear Sir,

We are the users and trustees of a self-managed super fund. We strongly believe that the tax system should support self-reliance in retirement saving and thereby maintain the choice and competition that SMSFs provide for the Australian superannuation system.

We have been greatly concerned by recent reports that the Henry Tax Review is considering recommendations to change or remove the dividend imputation scheme. The current scheme supports our desire to invest in Australian companies. Moreover, we believe that a change to the scheme would be unfair, unnecessary and a retrograde step. We are extremely concerned that it will negatively impact the value of Australian companies in which we have invested and which provide us with income that includes franked dividends.

We are writing to express our concern for all Australian investors who rely on dividend income, especially retirees, amongst whom we are numbered. Our investments were made on the basis of the existing rules and the recommendations of the Henry, if implemented, would be a severe blow to our strategy

We regard this issue very seriously as the repercussions from the implementation of the recommendation being considered would have a devastating and long lasting effect upon so many people. It is an issue which would weigh heavily in our voting decision at the next Federal election.

Yours faithfully,

PB & MA Walker.

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