

Dear Sir/Madam,

I noted with dismay media reports that the Future Tax System Review is considering winding back or eliminating the franking credit system.

The negative result of this move would discourage Australians from investing in local companies, especially retirees relying on dividend income from superannuation funds, especially SMF's.

I own a SMF, and believe they are important in supporting choice and competition in the superannuation system and encourage self funding for retirement. The franking credit system was a big incentive for me to invest in many Australian companies, but it's attrition would certainly be a major deterrent to continuing this strategy because of the loss of dividend income on my retirement savings.

With our rising ageing population in the future there will be more people like myself who rely on retirement income, and I hope the Review will seriously reconsider the very retrograde step of phasing out the franking credit system, especially in the current uncertain financial climate,

Yours sincerely,

Pat Walker