

Dear Sir/Madam,

We are retirees who have a Self-Managed Superannuation Fund and are extremely concerned at reports that the Henry Tax Review is considering recommending the removal or change to the dividend imputation scheme.

People are urged by governments to be more self-reliant in retirement and to support Australian companies, yet it seems consideration is being given to measures that will erode further the savings of retirees who have strived to be self-reliant and who have also invested in Australian companies and receive dividend income that include franking credits.

This foreshadowed change to the dividend imputation scheme is all the more troubling against a backdrop of the severe and obviously deepening global financial crisis. Already most retirees have seen their superannuation fund shrink some 40-50% and now face the bleak prospect of a further loss of superannuation fund income. In our opinion it would be inconceivable if the government accepts a recommendation that would be a betrayal of the many people who are powerless to improve, by their own efforts, the balances of their superannuation funds.

We should be grateful if these views are drawn to the attention of the Henry Tax Review.

Yours faithfully,

Adrien & Marilyn Whiddett