

21 April 2009

Dear Sir,

We are self funded retirees who use a self managed superannuation fund. We have seen recent reports that the "Henry Tax Review" is considering the reduction or even removal of the existing dividend imputation scheme. The reported rationale for this is that it will make investment in Australia more attractive to foreign companies.

The price for this is that it will make investment less attractive for Australian investors who rely on dividend incomes. We are greatly concerned that a move to reduce the value of franking credits included with dividends will reduce the value of such dividends, especially to retirees.

We believe the tax system should support the ability for self reliance in retirement. Reducing the value of franking credits would be a retrograde step in the ability of people to manage for themselves and not be thrown on to the pension system.

Yours Sincerely,

Peter and Anne van Roekel
[removed for privacy reasons]