

To:

Director  
Corporate Tax Policy Unit  
Treasury  
Langton Cres  
Parkes ACT 2600

Thank you for the opportunity to comment on the proposed legislation about Franked Distribution and Capital Raising.

I personally am an investor in various public companies but I am also writing on behalf of my mother (91 years old) who has a relatively modest share portfolio and relies on the income from these shares.

Just to be clear I object to the proposed changes.

I fully understand that they relate only to Capital Raising and not to general share dividends.

It appears to me that the legislation while seeking to to stop what is considered illegitimate activity around Capital raising for the sake of accessing franking credits that the legislation is no way clear enough that it will not stop legitimate Capital raising by companies and therefore will be unacceptable impost on this perfectly normal aspect of corporate activity.

BUT my main objection is to the RETROSPECTIVE nature of the application of the legislation. I find this particularly objectional. My understanding is that any special dividends received back to 2016 may suddenly become retrospective taxable events for shareholders. In particular my mother is worried about her gradually dwindling quite small bank balance and for her to have to worry about potential retrospective revised tax assessments for the last 6 years due to some special dividends she has received is a stress that she does not need at this stage in life.

At the very least, should the legislation proceed, it should scrap the retrospective application of it.

One final point. CONFIDENTIALITY. I am happy for my name and state to be published as part of the submission. I DO NOT AUTHORISE my actual street address to be published. I see you are requesting these details. In fact as part of my submission I think you should consider that publishing respondents full address is a privacy invasion and you should not be doing it for any responders.

Regards,

Neil Blundy

