

Director

Corporate Tax Policy

Unit Treasury

Langton Cres

Parkes ACY 2600

By email [frankeddistconsult@treasury.gov.au](mailto:frankeddistconsult@treasury.gov.au)

Dear Director

I write to submit a response to the consultation on the proposed legislation relating to FRANKED DISTRIBUTIONS and CAPITAL RAISING.

1 object to the proposed Legislation Changes.

I believe the draft legislation, while not only deceitful, but is highly inequitable to Australian Companies and Shareholders and it could impact many people personally and corporately.

Since the introduction of the Franking system, by the then Treasurer Paul Keating, and the then Prime Minister Bob Hawke, Australians have largely avoided the impost of Double Taxation on Company earnings. A much fairer system, all would agree. These great Labour leaders of the past realised that the system was not fair, and they sought to right the wrong, Well done to them.

I read with some concern that the draft legislation if applied would stop Australian Companies who issue shares under a Dividend Reinvestment Plan, from paying franked dividends and significantly increase the cost of capital for all franked dividend paying Australian Companies. It will also inhibit effective capital raising during tight economic periods like we are currently facing.

If passed, its application would also unfairly burden Australian investors with retrospective Tax Debts, surely this is as Un-Australian and unethical at the very least.

I am a retired person, who is not accessing the public purse as an aged pensioner, as I have saved all my life and used the Superannuation system as it was designed and updated by the successive stable Governments of the Hawke/Keating and Howard/Costello eras. Your legislation changes could only drive people like me onto the Aged Pension system.

Yours Sincerely,

Ross Patrick Keane