

The Director
Corporate Tax Policy Unit
Treasury
Langton Crescent
Parkes ACT 2600.

Dear Director,

I wish to provide a response to the consultation on the proposed legislation relating to Franked Distributions and Capital Raisings.

I **strongly OBJECT** to the proposed legislation changes.

1. It seems to me these proposed changes have been largely kept secret from the Australian Public, and many would be totally unaware of the proposals. Every taxpayer should be notified of the effect of the changes in an unbiased manner, and not find out about the proposed changes by chance like I did.
2. The draft legislation is inequitable to Australian Companies and Shareholders and I am informed its ramifications have not been considered carefully or explained to Australian Companies, Taxpayers or individuals. It seems to be "legislation by stealth".
3. I am advised the legislation will impact on the ability of Australian Companies to legitimately manage and implement Dividend Reinvestment Plans (DRP'S), and Capital Raisings. Why would any Australian Government want to restrict or make it difficult for Australian citizens, and taxpayers to invest in, and support, Australian Companies and Businesses?
4. This proposal to make the legislation retrospective back to the 19th December 2016 is **alarming**. I am currently completing administration of my mother's estate which had some small shareholdings in ASX Companies. Will I now be required, sometime in the future, to go back some 6 years after the estate is finalised and determine any possible additional tax liability.
5. Does the proposed legislation create circumstances where there could be "double taxation" on company earnings, or where shareholders are denied the benefit of company paid taxation on dividends, and the demise of the franking system occurs. If so, then the proposed legislation does not maintain the fundamental principal underlying the franking regime introduced some 20 years ago.
6. I am 72 years old, worked and managed a small consulting business for more than 40 years, and now manage a modest SMSF on behalf of my wife and myself. We receive no Government pensions or benefits apart from a "seniors' card". Having legitimately set up our retirement strategy over

some 20 years based on the existing legal framework and regulations, I object to some politicians or bureaucrats coming onto the scene and wishing to **change the rules** because they haven't been able to manage the economy efficiently.