

Director
Corporate Tax Policy Unit
Treasury
Langton Cres
Parkes ACT 2600

Dear Director,

My wife and I strongly object to the proposed legislation relating to Franked Distributions and Capital Raising. We are both in our 70's.

We are retirees who planned our retirement around obtaining dividends AND franking credits. We planned our retirement so we would not have to rely on a government pension. This proposed legislation will make it very difficult for us to maintain our independence and would add us, and many others, to the lengthening queue accessing a government pension.

It is grossly unfair to change the goal posts for all who diligently planned their retirement solely on obtaining dividends and franking credits. If anything there should be a grandfather clause in this legislation to protect those who planned their retirement according to the legislation of the day.

We strongly object to the retrospective application to 19th December 2016, as this would unfairly prejudice franked dividends paid out to share holders of Australian companies and leave them with unexpected tax bills for dividends they have since received and to be paid at a time of economic uncertainty. This is particularly concerning for those who rely on fully franked dividends as income, and who have no other source of income.

Tax laws should not be allowed to change retrospectively when Australians have budgeted for and paid their lawful tax based on existing tax law in place.

In conclusion we find the proposed legislation relating to franked distributions and capital raising, with retrospectivity thrown in, to be unfair and unjust. But if this legislation was implemented it should contain a grandfather clause without retrospectivity.

Yours most sincerely

William Marsell
Marian Marsell