

Thank you for the opportunity to respond to the draft legislation relating to the changes to the franking credit system.

The proposed changes, (disallowing franking credits to be funded from capital raisings in excess of company profit and retrospectively recouping monies received from those capital raisings from shareholders) is not only unfair to shareholders but will also stymie future business prosperity. Both effects being counterproductive in these times of uncertainty.

Could I suggest a much more profitable fairer exercise for the ATO would be to look at multiple negatively geared property investments giving the sole owners large tax breaks, individuals leasing fully tax deductible luxury vehicles ... e.g. Porches, Maserati's and the like, and overseas tax havens such as The Bahamas and Cayman Islands!

Yours faithfully

Dr M.Nicholas