

Director
Corporate Tax Policy Unit, Treasury
Langton Cres Parkes ACT 2600
5 October 2022.

Dear Director,

Thank you for the opportunity to submit a response to the consultation on the proposed legislation relating to **Franked Distributions and Capital Raising**.

My wife and I **object** to the proposed legislation changes.

We believe the draft legislation is inequitable to Australian companies and shareholders and it could inadvertently impact situations of legitimate company operations.

The draft legislation fails to recognise the fundamental principle underlying the franking regime and the reason for its creation, the avoidance of double taxation on company earnings. If passed, its application would also unfairly burden us with retrospective tax debts, to be paid at a time of economic uncertainty.

We are self-funded retirees and do not receive an Age Pension and thus rely on an equitable and predictable taxation system, with dividends with franking credits, for a major part of our income.

Retrospective changes to taxation are therefore of particular concern and very unfair.

Please contact me if you have any questions on this submission.

Yours sincerely,
Graham Palm