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

Dear Sir,

OBJECTION.

I wish to object to the proposed legislation relating to Franked Dividends.

UNFAIR TO AUSTRALIAN INVESTORS

I believe that the proposed legislation is unfair to Australian companies and shareholders and that it fails to recognise the fundamental principle underlying the franking regime. The reason that Paul Keating's government put the principle of franked dividends in place was to avoid double taxation on company earnings.

If this legislation is introduced the result would negatively affect and unfairly burden many Australian investors as retired people rely on the franked dividends to contribute to their income.

I feel that it is targeted at those citizens who have self-managed superannuation funds and would like any legislation to clearly stated how, or if, this legislation will affect the pensions of public servants, the large union based superannuation companies and the superannuation/pensions of parliamentarians. Is this legislation to negatively affect all citizens or will those employed by government, unions and parliamentarians escape unscathed.

RETROSPECTIVE LEGISLATION

There should NEVER be a case for retrospective taxation, as nobody would be able to plan their lives and retirement if it is possible for governments to introduce legislation that would burden ordinary people with tax debt that is applied retrospectively.

CONCLUSION

I object to the proposed legislation relating to Franked Dividends.

If this legislation is passed, especially retrospectively and in these times of high inflation, I feel that it will unfairly burden Australian investors.

Yours sincerely,
Helen Pearson