

Director
Corporate Tax Policy Unit Treasury
Langton Cres
Parkes ACT 2600

By email: frankeddistconsult@treasury.gov.au

Dear Director,

Franked Distributions and Capital Raising

It seems that the proposed legislation will impact low income self-funded retirees, like me, whose income is mainly derived from listed companies' franked dividends.

It may mean that many will have to resort to social security (Centrelink) to supplement their meagre income, placing additional burden to the government.

The draft legislation seems to fail to recognise the fundamental principle underlying the franking regime and the reason for its creation, the avoidance of double taxation on company earnings.

The Franked Distribution and Capital Raising draft legislation, if widely applied, will lead to the demise of the franking system.

Yours faithfully,

Thomas (Tom) Rado