

Paul & Julie Logan

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**Director - Corporate Tax Policy Unit
Corporate and International Tax Division
Treasury
Langton Cres
Parkes ACT 2600**

Dear Director

We are writing to ask for your representation in the matter of the proposed legislation relating to Franked Distributions and Capital Raising, which is currently under review by Treasury.

We believe this proposed legislation will break a key election promise the Federal Government made to the Australian public and is inequitable to Australian companies and shareholders.

As drafted, the proposed legislation would appear to inadvertently impact tens of thousands of situations of legitimate company operations and could accordingly delay or discourage the normal processes of capital raising, investment and economic growth in Australia. It could also interfere with the operation and the efficiency of the Australian capital markets and the structural integrity of our banking system.

It is disappointing that the government is attempting to significantly increase the cost of capital for all franked dividend paying Australian companies and unfairly burden Australian investors with retrospective tax debts, to be paid at a time of economic uncertainty. It will also risk the stability of the Australian banking system by inhibiting effective capital raising during challenging economic periods, such as the start of the coronavirus pandemic, contrary to the advice and April 2020 guidance of APRA.

When a political party attempts to attack franking credits, it is a personal attack on investors, companies, and the retirement security of many Australians, including us, our family, friends, and community. We are self-funded retirees depending on an income from franked dividends, we at the moment claim no pension or receive any benefits from the Government, this proposed legalisation could change that for us and many others hence posing a greater burden on the Government. The retrospective tax being proposed in this policy would further add to retirees financial uncertainty.

I am extremely disappointed that the Federal Government is pursuing its plan to break a key election promise to Australians. The last time the Labor party attacked franking credits Australians were overwhelmingly opposed and this was reflected in the result of the then election. There is no doubt that Australians feel as strongly now as they did then.

Please support us and the millions of Australian companies, shareholders and retirees set to be unfairly impacted by this proposed legislation by urgently advising the Treasurer and Assistant Treasurer to abandon this assault on our retirement security.

Yours sincerely,
Paul & Julie Logan