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Dear Sir

I am emailing to register my opposition to the proposed legislation relating to franked credits and capital raisings.

The draft legislation is not fair to companies and shareholders and fails to recognise the principle behind the application of franking credits and their role in avoiding double taxation on company earnings.

The draft legislation will undermine the franking system and will stop Australian companies who issue new shares under a dividend reinvestment plan from paying franked dividends.

It is a useful means of companies raising capital and there will be an increase in the cost of capital for all franked dividend paying Australian companies because it closes an avenue of capital raisings.

I am also amazed that you would be considering retrospective application of the legislation. I have bought shares in various companies and now find they may have legacy obligations under the changes that are proposed which I had no knowledge of when they were purchased.

At the election you promised not to interfere with the franking system (originally put forward by Labour). It caused uproar last time so why would you want to interfere again.

Yours faithfully

Peter Antaw