

The Director,

Corporate Tax Policy Unit,

As investors and taxpayers we have concerns with the proposed legislative changes to the treatment of franking credits attached to company dividends.

(1) So long as franking credits are treated as income withheld and therefor included as income for tax return purposes, they represent an upfront payment of tax as pay as you go for wage earners.

(2) The real problem that Government has with raising enough tax can be sheeted home to past political decisions to create Individual concessions of currently \$18,000 and zero tax on the mandated income streams of Superannuation funds.

(3) The proposed retrospectivity is particularly outrageous where companies and taxpayers have fully complied with the law at the time.

Yours Faithfully,

Peter & Judith Goodale