

I was involved in the preparation of many Bills that became Acts of the Queensland Parliament for more than 20 years and am very familiar with the legal principles that are followed. I am now retired and fully self-funded, depending to a significant extent on franking credits which are the return of tax paid by the companies of which I am a shareholder, where that tax exceeds the amount that I am legally required to pay on my current income.

The three main problems with the proposed tax grab are:

1. it is retrospective
2. it is contrary to the Labor Party election promises
3. it is poorly thought out. It is impossible to say where the money paid in dividends actually comes from in the company accounts. The franking credits cannot exceed the amount of tax actually paid by the company so it is immoral to link the payments to any fundraising.

The proposed legislation should be scrapped.

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