

Dear Director

Thank you for the opportunity to submit a response to the consultation on the proposed legislation relating to Franked Distributions and Capital Raising.

We Richard and Patricia Bauhof strongly object to the proposed legislation changes.

We believe the draft legislation is inequitable to Australian companies and their shareholders and would inadvertently impact situation of legitimate companies.

The draft legislation fails to recognise the fundamental principal underlining the franking regime and the reason for its creation by the greatest Australian labor Prime minister this country ever had Mr. PAUL KEATING it was he who stopped the double taxation on company earnings.

Why any Government would want to dismantle his achievement is beyond believe , after all, it encourages Australian investors to invest in their own country. And we all pay our fair tax.

The Franked Distribution and Capital Raising draft legislation if widely applied, will lead to the demise of the franking system. It will stop Australian companies who issue new shares under a Dividend Reinvestment Plan from paying franked dividends and significantly increase the cost of capital for all franked dividend paying Australian companies. It will also risk the stability and integrity of the Australian banking system by effective capital raising during challenging economic periods such as the start of the coronavirus pandemic.

If passed, its application would unfairly burden Australian investors with grossly unfair retrospective tax debts, to be paid at a time of economic uncertainty..

My Wife is 75 and I am 81 years old ,we both suffer from health problems. We started early in life to invest in Australian Shares to provide us with an Income in our retirement. Franking credits are an essential part of it.

We have no Super, no Australian health card no centre link benefits of any kind.

On our annual Tax return we both receive a LOW INCOME OFFSET. So we are HARDLY SUPER RICH. We would find it impossible to pay any unfair retrospective tax. Since when is it fair to punish some one if no laws have been broken?

The Labor government got elected by stating WE HAVE A PLAN. they did not reveal their plan was to, unfairly target Australian retirees, Australian investors and Australian companies who pay their fair tax and reward there share holders. Unlike some overseas companies who pay little or no tax.

We as self funded retirees save the Government a lot of money by not getting payed social benefits.

Australian Investors Retirees and Australian companies should be rewarded and encouraged and NOT BE PUNISHED FOR THEIR EFFORTS

The short time frame for submissions by the 5 October is unreasonable and unfair We have only just found out about this proposal I am sure there are a lot of investors who are who are nor aware of it.

I am on anti depression medication and this is playing havoc with my mental health.

I am sure the government can come up with a better way to raise revenue instead of targeting old retirees and destroying their hard earned retirement.

Why not raise the GST tax by 1%, Tax overseas companies and stop throwing money to people who do not want to work We know some people who never worked in all their lives.

It seems we were fools, we should have spend our money ,gone on holidays and cruises and have good time and like all my old work mates go on a pension with a health card and let the government take care of us. Why have all the worries about taking risks with investments and be treated like a tax cheat and potentially be charged with an unfair retrospective tax hit.

If I remember rightly Mr Albanese said, correct me if I am wrong. There will be NO CHANGES TO THE FRANKING CREDITS.before the election
So what happened.

NOT HAPPY

Yours Sincerely

Richard and Patricia Bauhof