

08/12/2022

Response To The Draft Legislation:-

Improving the Integrity of Off-Market Share Buy-backs

Dear Sir/Madam,

We both object to **ANY** changes in the legislation to the existing franking credits system for individuals and also to company off-market share buy-backs.

We see this as a deceitful act on behalf of the Federal Labor Government and one my family will remember at the next election.

As reported on ABC News on January 2nd 2021, in a video conference address to Victorian Labor members, Mr Albanese announced Labor would scrap the proposed changes to franking credits the party took to the 2019 election campaign.

"I can confirm that Labor has heard that message clearly and that we will not be taking any changes to franking credits to the next election," Mr Albanese said.

"I want the focus to be on Labor's positive agenda for Australia's future ... a nation where people aspire to personal success, but also have aspirations for their family, their community and their nation."

In essence, the Albanese Federal Government has lied to the Australian voters/people, by promising that the issue concerning franking credits would not be reintroduced.

If this issue was presented before the election, many people would not have voted Labor. I am sure this was part of Labor's cunning plan.

If franking credits were removed, **or altered**, it would affect my wife and I who are self funded retirees, in these ways.

It would:

- Expedite our application for a full old age government pension - in which case, this would result in a far larger payment from the government overall.
- Reduce our capital because we would have to sell our shares to pay the new tax, especially if this tax was retrospective back to 19 December 2016.
- Put extra stress on Australian investors who have experienced recent severe losses to their Superannuation and Australian share portfolios.
- Affect our means of income - not all people have had access to large Superannuation schemes all their life. Many small business people don't.

As senior citizens, it is difficult to adjust investments if the government keeps moving the goal posts. Personally, my wife and I have worked hard in our lives to date, to become self-refunded retirees, striving against reliance on government pension payments or handouts.

Self-refunded retirees who invest in the sharemarket still pay income tax. The original Paul Keating legislation that eliminated double taxation of company earnings was fair for everyone.

The only way Australian companies have to grow their business is through Capital Raising. Why would an Australian Government intentionally hinder the development of an Australian Company?

We find this level of taxation absurd especially when a lot of non-Australian Companies operating in this country pay less tax or no tax at all. It seems as a minority, small investors who are the owners of Australian companies are easy targets.

Please let Australian companies do what they do best - run and grow their own companies without further bureaucracy to both the company and their owners, the Australian people.

Yours sincerely,
Daryl & Sylvia Nunn

Daryl Nunn

Sylvia Nunn