

## Any other comments?

- Complexity to target group X, grandfather group Y, benefit group Z and impose compliance and monitoring costs on all participants almost always has unintended consequences and dead weight losses. Typical of those that like government control.
- Everybody should pay their fair share even multi-millionaire pensioners. The economy can use the billions released to build infrastructure, business startups and training people for the jobs of the future that pays pensions and super benefits.
- It is very unfortunate that one invests when working the best way one can within the tax framework and that when retired the goal posts are altered.
- Most groups have such vested interests in this debate they must declare them.
- Whatever the outcome people and investors will adapt to it.
- Can't believe how politicians from both sides continue to fiddle with the rules - and retiree livelihoods.
- It's Impossible to plan when the polities keep changing the rules! I had factored franking credits into my retirement income! I'll be paying Centrelink a visit to see I can get now!
- The deliberate distortion of the facts (e.g. Minister citing the impact on low taxable incomes as a credible statistic) tell the story.
- together with other policy threats to attack retirees' savings (eg from Labor's Grattan Institute, 'More than enough'), these moves destroy all remaining trust in self-funded retirement
- Either I pay tax, or my children/grandchildren do. But I do not want to finance someone's residential housing investment, nor franking credit refund. Why are not my grandchildren's child care fees tax deductible, so my daughter-in-law can work to finance their enormous house mortgage?
- Chris Bowen's bubble idea has not been thought through, many retirees need the franking credits to survive their annual expenses, without franking credits many will sell their Australian shares and buy more to Global. I have already moved 50% offshore via ETFs because of Bowens intended actions. Furthermore, having retired on the understanding your retirement plan was set to see you through your final years, it will be criminal to take away funds that retirees need. Shame on him and his stupid politics.
- I traditionally vote Labor...not this time
- Disgusted that the general public doesn't "get it" ... about Franking Credits.
- It is a seriously ridiculous policy. They claim it is a tax on the wealthy. This is wrong, it is a tax on the responsible.
- Impact will probably be that my superannuation will run out sooner in my future retirement and I will need to go on Govt-funded pension sooner.
- Shorten's policies not underpinned by any rational economic theory.
- Labor's policy is aimed at solving a real inequity - the excessively generous tax treatment of retiree income. But it is an ill-structured and ineffective approach to doing this.
- More concerned re cgt increase
- It affects the credits held in our small private company that can be refunded as a source of retirement income.
- The proposed policy does not pass the Pub Test as is discriminatory. Labour seem deliberately blind to this. I have worked damned hard in low paying jobs, done without, budgeted hard, not gone on holidays and these fools are just going to take my and others money to buy votes from the majority of people who would not have any idea what franking credits are.
- The Labour policy seems unfair. Maybe a better way would be to tax businesses at a certain rate, and then have a lesser rate for franking credits, so there would be the same percentage of franking credits. For example, tax level on a business is 30% and a franking credit is at 28%. This means the govt gets 2% of the tax each business pays. Also, the rich will always find a way to skirt around the tax and not be affected by it.
- Grandfathering or introduce for SMSF pension Balance over say \$1.5M
- Proposal is dishonest re future pensioners in an SMSF and re historic Labor support.
- company earnings are owned by shareholders - tax is deducted before dividends are paid. If too much tax has been paid - it should be refunded. ALP say people who pay no tax are getting refunds - False!!
- We rely on the refund of franking credits as part of our cash flow and overall return from our SMSF. Our SMSF fund has only a modest balance, so the refund of franking credits is heavily relied on to cover the administration costs. Accounting and ASIC fees, plus the cost of some basic research through CommSec. However, we choose to invest this way as, although we cannot influence the financial markets, our dividend income stream is reasonably stable, or as stable as can be expected, and if there is share market volatility or correction, we have been able to

wait it out, as there is sufficient liquidity to meet our pension needs, topped up by dividends. Whereas, our past experience with managed funds, has generally delivered greater uncertainty of return. Our SMSF is in pension mode, so cash flow is very important to us. We feel that Labor's proposed changes are divisive, in that they seek to penalise 'ordinary' investors, in order to get at the truly wealthy. 'Ordinary' investors are just people who spent less than they earned, during their working life, in order to save and often did without some of the luxuries so they could accumulate enough to be financially independent in retirement, or as near as possible. The proposed changes come across as being part of a political agenda, aimed at those perceived to "have more" than others. It's akin to trawling for fish... the catch includes a lot of sea creatures besides the target species and there is an environmental price to pay. Hopefully there will be a political price to pay should Labor proceed with the changes they propose. As disgruntled as we are with the antics of the Coalition, we just cannot support Labor, given their perceived agenda and demonstrated capacity to spend and create massive budget deficits. No wonder the number of independent parties is growing! Both major parties seem to be thumbing their noses at us plebs!

- Labor's policy unfairly hurts middle-income self-managed superannuants. If Labor wishes to address tax minimisation schemes in the SMSF industry, they should aim at the wealthy (with, say, \$3m+ in super).
- I planned my retirement income based on franking credits it's unfair to take them totally away, what about a cap to catch the big refunds
- Any federal government should be encouraging people to be self-funded in retirement and not rely on the social security system for income support - but between the constant restrictions being placed on Super and now potentially ripping away tax credits from self-funded retirees (who rely on them for income), everything seems to be a 'dis-incentive' to be honest (?)
- Like Mr Swans mining tax this will turn out similarly
- It's unfair to change the rules when people have set up their strategy to be self-funded, would be better off just getting the pension
- more protests at cuts to middle class welfare
- I actually hope Labor is elected, because the current mob are completely hopeless. But it is not altogether certain that Labor will get sufficient numbers to enact their policy. It is unlikely they will get control of the senate, so

all we need is enough centre/right numbers there and it will never get through. It's too early to change investment strategies.

- Historically I have been a Labor voter - NOT this time!
- Totally opposed to the change.
- I particularly resent the fact that there is no grandfathering attached to any change to the franking credits situation with Labour. I am a self-funded retiree who does my own accounting and makes my own decisions. This will be a huge upheaval in my life - and it is unfair.
- I am of the view that the income tax paid by a company is a tax on the company, not a tax that is attributable to its shareholders. I do not agree with the view of those shareholders who consider that it is "their" (prepaid) tax and that therefore they are entitled to have it refunded if their personal liability is zero. If instead they are obliged to start receiving some age pension, that is a good thing; then Australia will have accurate statistics to determine how many elderly people need income assistance by way of a pension rather than the present hidden welfare by way of franking credit refunds that has no objective connection to need.
- The reason I don't fully understand Labor's policy is They keep saying different statements. They are LIARS
- Labour franking is discriminatory. Self-funded retirees still pay GST with no subsidies from the government despite having paid lots of taxes in their working life. Instead of discriminating the self-funded retirees we would suggest getting rid of franking credits completely. Mindful that the government is taxing the franking credit and individuals on higher 30% tax bracket are paying more taxes on the differences. That's one of the reasons for not getting rid of franking credit because they would lose revenues. But they should not discriminate the retirees when we are not able to work and not receiving benefits also.
- They will also raise rents, decrease housing supply and cause more homelessness.
- This will affect us but so it should. The money can be better utilised to assist those who are less fortunate.
- It is an unproductive revenue raiser that will detract investment in Australian companies and skew risk taking of investing in the Australian economy
- What will Labour tell Australia "what's in the Detail"
- I will change my investments if the changes are enacted as presently proposed. I think the Labor will eventually need to change their proposal by either grandfathering the old

scheme or by bringing in some sort of a threshold.

- It seems nobody has yet cottoned onto the fact that a great many retail funds will be affected. I wonder why so little is being said about this tier of super funds. We are all being herded into union-controlled industry funds. This franking credit ambush coupled with proposals to introduce a ridiculous "top ten" for default employer funds- and it won't be long before money management will be a closed shop.
- I agree with the principle that income should be taxed at the rate applicable for the individual and thus a rebate of company tax withheld is fair to all
- The \$5bn pa saving Labor quotes will be nowhere near reality
- This is a terrible policy which punishes those who are the least burden on society for their years of going without & careful investing in order to fund their own retirement. I am about to become an Ex 3 decade + member of the ALP.
- A refund of tax not paid privileges retirees, just as it indirectly burdens non-retirees. Opposition by retirees is understandable, but the public policy basis for its removability is indisputable.
- If governments spent the money they gather prudently and effectively I'd be far happier to hand over my franking credits
- I perceive the current system as an abuse of the initial intent and convey an unintended and unjustified benefit
- Maybe Labor should try not refunding excess PAYG tax overpaid during a given tax year and see the community response.
- It makes me very angry!!!!
- This Labor policy is a blatant tax grab. Labor have been very dishonest in the way they have described the changes. They have also relied on tax saving estimates from Treasury which is based on figures before the \$1.6m cap was introduced for pensions.
- Current system supports tax avoidance, pure and simple.
- Well off smart people always find a way to pay minimum taxes and at the end of day Govt. will not gain in taxes as much as Labor party thinks. I am 80 and my wife is 74.
- I am a financial adviser that deals with HNW clients. Self-funded retirees are being penalised for taking responsibility for their own wellbeing. Ultra-rich could be targeted a little like the 1.6m pension threshold. But for those below this why not upgrade the home, squander funds on travel and go on the Age Pension.
- It's not fair as the bigger main stream funds still get the benefit
- Fairness is important
- The tax will not affect me, but I feel sorry for those that will be hit.
- I'll change my investment strategy if the Imp credit changes pass parliament. It will cost me around 25K pa. But I can't vote for the climate change sceptics in the Coalition. They are troglodytes.
- Bowen is a lazy treasurer being run by Treasury
- I am somewhat tempted to form a "Franking Party" and stand for the Senate. With a number of senators this proposal could be stopped in the senate.
- The day all politicians learn to stop fiddling with the Super regulations the better we will all be. How can anyone formulate a retirement strategy when the goal posts are constantly being moved
- vote against labour for this unfair move
- Don't change the current goal posts people have decisions based on current rules. Change the future
- A lot of pensioners use their Franking Credit refunds for local holidays to places like Bright, Lakes Entrance and Merimbula which pours money into these local economies.
- This is a tax aimed at SMSFs
- What does the pensioner allowance mean does a health care card qualify for exemption? This subject had no coverage by the media
- I am a retired Chartered Accountant. I have studied the Labor Party's Policy Statement on this proposed policy, and I am amazed at the poor quality of the analysis contained therein. Assertions are made therein unsupported by any form of detail from ATO statistics. The statement submits that only 8 % of taxpayers benefit from franking credits. Based on the most recent ATO statistics (being for the year ended 30 June 2016) 21.3% of individual taxpayers benefitted from franking credits, 2,883,230 individual taxpayers returned franking credits of \$9.590 M and the total number of individual taxpayers was 13,508, 101 (Source- Mr Mat Power, Director of Taxation Statistics ATO). These statistics do not include other taxable entities with franking credits such as superannuation funds and charities claiming their franking credits through their BAS Statements as they are non-taxable entities. If the Labor party wants to recoup \$5B annually for the revenue then it should determine the total value of franking credits claimed, apply a weighted average tax rate to the total to determine a sum value, apply \$5.0B to that sum value to determine a percentage rate of discount which should be applied to all franking credits as an equitable

discount. The Policy Statement says the franking credits do not apply to non-residents. This is incorrect, dividend income with franking credits attached derived by non-resident taxpayers merely exempts those dividends from taxation in Australia for a non-resident. The Policy Statement does not recognise the fact that the allowance by the ATO of a franking credit in a taxpayer's income tax return is "a cost to the revenue" in the form of revenue not collected. The Policy Statement is stuck on a "cash" basis of accounting only focusing on the cash refunds given to taxpayers with low other sources of taxable income or superannuation contribution receipts. That is simply an incomplete analysis. The Labor Party needs to determine a policy on a fair and equitable basis. The proposed policy does not do this. The paper would get a "failed" assessment mark if submitted by a first year Business Finance undergraduate at Sydney University. Even this graduate of 65 years ago can still see the errors in this Policy Statement!

- I have voted labour all my life I will now use arrogant Bowen's suggestion and not vote labour in the three levels of government.
- We will lose 30% of our retirement income, as virtually all out investments are in Australian shares, which distribute credits which turn into cash. This was a planned structure.
- If Labor wish to raise taxes, then they should increase the marginal tax rates. Not target specific sources of income, such as interest and rent; verses dividends.
- I respect Tim Wilson and his actions. Unlike most Liberal politicians he shows action to thwart ALP's robbery. Very unimpressed with your article. Have you written about GetUp or Union Funds?
- This FCR issue is a rort that costs taxpayers billions, & which significantly benefits a few, mostly wealthy, retirees. Although I am not in that cohort & will be disadvantaged by this proposal, I have always thought it was morally wrong to receive a tax refund when I was not paying tax. However I do appreciate many small investor/retirees have become hooked on this 'free' income & are resistant to any change. Unfortunately, this issue is not well understood by the majority of taxpayers - 'it's just too complicated' - & the Liberals have sought to use that fact for political point scoring. If the majority of taxpayers understood they were being abused I'm sure there would be far less opposition to the proposed changes than at present. Essentially taxpayers are paying more tax than they have to maintain this rort for a select few. Hopefully Labor's proposals

for this & the other tax rorts - capital gains/neg gearing - will see a redistribution of funds to areas which will benefit all Australians.

- about to retire, another blow to my financial situation
- take super out of the hands of polities. Implement a national super fund (Future Fund model)
- My wife and I stand to lose \$10000 p.a. if the policy goes through unchanged.
- Set a limit \$15000 of Fcr. Tax all income, forget the tax free of super. Stop lump sum payments from super
- Labor could have a 'threshold' where retirees with super balances, that receive franking credits to a certain \$ amount will receive a refund. This could help smaller investors whilst still closing the general loophole. Stephen Mayne suggested this on Q&A a few weeks ago. I'm very, very tired of listening to the Liberal party talking about a 'retirement tax' and that Labor is 'stealing people's money'! A number of years ago, I attended an investment conference in Sydney, run by Alan Kohler/Eureka Report. Jeremy Cooper was a speaker at that conference, and I remember him clearly stating that the refunding of franking credits wasn't going to last forever because it would become too much of a drain on the system. He then suggested to make the most of it while it lasted!
- As usual Labor attacks those who do not support their socialistic aims and henceforth are not in the interest of all taxpayers nor Australia. Former aspirational Labor voter!
- It will create more complexity in tax system. It needs a fresh look to simplify it
- Disgusted with the way people who have, in good faith, planned their retirement on laws that were accepted by both parties are now undergoing such an upheaval.
- absolutely dreadful policy. Inequitable in numerous ways. This has caused so much anguish. I am hoping the crossbench members in the senate reject this so it never comes to pass. They ALP should be ashamed of themselves proposing such a policy.
- There are several adjustments that can be made. Existing holders of FF shares are excluded from the policy from a set date. Have a limit on the sum of credits claimed, eg \$20,000.
- if implemented my smsf income will be reduced by about \$20,000 p.a. & my wife's by \$4500 p.a. This represents about 30% reduction of total income.
- I can't say if I will change my investments until the final legislation is passed.

- I am "undecided" in the first question, because while I don't object to the principle of the proposed policy change, it should apply equally to all. Wealthy retirees in industry funds should not be able to benefit from their franking credits while those with SMSFs cannot. Treating SMSFs that do or don't have one pensioner member differently is absurd. So is adding working children to a retiree's SMSF and benefitting from franking credits. Either eliminate the benefit or don't, but don't disadvantage one specific group of people - retirees with SMSFs. If Labor is about "fairness", then be fair. The policy, as it is now, is rubbish.
- Better option would be to cap refunds to \$6k per individual regardless of structure.
- The change is one of several based on the mistaken assumption that people who run their own super funds are inevitably "rich". Australia, in general, underrates how much people will actually NEED in retirement. Thus, a million is seen as massive money, while it would just about buy one the meagre old age pension, which actuaries estimate to need about a million - for an individual - to function. An amount over 1.6 million for a single individual is held to indicate that the retiree is "rich", which for a period of 20-30 years is absolute nonsense.
- I am very disappointed at some in the investment sector - most notable Geoff Wilson - taking a partisan political stance on this. It makes it very difficult for rational discussion to occur.
- Even though this will affect me (approx \$10k pa) I am not that overly concerned at this stage as even if the legislation is passed in the lower house, I cannot see the senate (with the number of independents, not to mention the greens, supporting the proposed legislation without amendment. My guess is that an income cap will be applied (in addition to the current proposed exemptions), anyone below, franking credits permitted, anyone above no franking credit.
- This ALP idea is hasty, inequitable and poorly thought through. They think they will garner electoral support for it by denouncing those wealthy non-taxpayers who receive big refunds.
- This tax will only collect off the poor while those that have had the tax advantage of being able to contribute to super will still get all their income tax free. It is tax free super that is the problem not refunding franking credits
- 'Self-funded' retirees relying on franking credits aren't self-funded, the franking credit is taxpayer funded. While have a slight issue with changes being retrospective, I think it is unrealistic to think over the time-span super needs to be considered that certain aspects won't change.
- Make Shorten and his team take a 30% cut in their income and see how they scream
- Wake up Australia, this Labor plan will have major impact on all Australians, not just the older population
- It is difficult to plan for this abominable proposal without seeing what form the legislation (if passed by both Houses of Parliament) actually takes. This is yet another example of how our politicians, cosseted in their risk free public funded indexed pensions for life, have no understanding of the issues and risks face by ordinary people, and no respect for self-funded retirees. When you see something like this, it is difficult to have anything but total contempt for our so-called political leaders.
- Labor's policy is unjust and unfair and ultimately doomed. I think it, if implemented will fail to raise the revenue anticipated because those affected will move away from franked dividends and many will actively and deliberately alter their affairs to access the aged pension, thus creating additional outflow from government coffers. Likely to be a lose, lose, lose situation, with no winner. A pathetic, illogical and destructive policy!
- Excess franking refunds are now in the 'too good to last' tax break category, as many previous tax breaks have been. For zero tax entities, these refunds redirect tax paid by corporates from the Govt to the shareholder. In an extreme example, if all BHP shares were owned by SMSFs in pension mode, the Govt would retain no tax from BHP. Having said that, there is a case for grandfathering. The best suggestion I have seen for this is a cap of say \$15,000 of refunds. This would cover the vast majority of people. Anyone receiving more than \$15k of excess franking refunds via their SMSF should be able to restructure their portfolio effectively. Thank you for a great newsletter.
- I hope Cuffelinks publishes the results of this survey.
- people who find themselves at a disadvantage due to the franking changes can change their investment mix to mitigate loses - people need to do their homework and learn to be flexible instead of whinging
- Many other areas additional tax revenue can be generated. It's indicative of the current political environment. Not only have we sold out to the Chinese, with their far-left views, we are now succumbing to a perceived class war policy targeting the apparent mass affluent! I am genuinely fearful of when the labour policy wins what damage they will do!

- As a financial planner used my clients receiving between \$3000 and \$20000 refunds. At the \$5000 and lower end this equates to clients holding around \$600 to \$700k in fin assets. They are self-funded retirees who are trying to make their funds work hard for them. Taking greater risk to achieve a better outcome. With TDS at low levels they need their refund to pay bills. This policy will just reduce their capital and place them on the pension system
- This is a rort where the majority of the billions go to very rich people. The amount paid to them is more than we spend on public education! I would prefer good schools for my grandchildren and hospitals for me. The scare campaign, paid for by taxpayers, is a disgrace.
- Already effecting my investment decisions- will lead to an excellent increase in people on the pension
- Why should we be taxed 3/7th of our income i.e. pay tax on share income twice. We have worked and not bludged to get to where we are. This is the most contemptible thing Labor has ever contemplated. We must fight this tooth and nail till the end. It is unjust, inequitable and immoral. Politicians should also lose 3/7th of their income forthwith. We loath unionist who have never been in business and seek to bring people to their knees who do not conform to their socialist views. Will they want to nationalise the banks next! Business drives the world.
- The proposal doesn't treat everyone the same, particularly targeting the lower income group. Why should they be taxed at the company rate when those with the same \$ income from say rentals be taxed at a lower personal tax level? Additionally, this is a retrospective tax, applied to those who were encouraged into super and are now unfairly been targeted.
- If Labor cannot live within their means, i.e. within budget, before gaining government, how will they be when they get in?
- I have already positioned our investments to benefit from the probable asset allocation shift into REITs and the like.
- We spend our whole working life (45+ years) planning & saving for our retirement. We achieve our goal, create our SMSF, are totally nondependent on Government or taxpayers for our retirement and Governments continue to change the rules on Super, destroying our planned strategies (planned under existing legislation), as they see super and SMSF as a honey pot for their big spending policies. The very rich will not be affected as they will have other income earning assets and will use franking to offset this income. Labour policy will hurt hard working/hard saving average Australian retirees. Not a smart election policy and likely to hurt Labour chance of gaining Government.
- Changing the rules on Superannuation is undermining confidence in the system and younger people are not prepared to invest in Super
- 12 months ago, I wrote to all my Federal ALP MPs - no response. Since then have joined Assn for Independent Retirees. Have raised this matter with my adult children. Will be again writing to ALP members who are penalising this long-term union member/ALP supporter. ALP will NOT get my vote this time around.
- Labor will introduce this half-heartedly like they have with most other things and hurt a lot of people.
- I'm over baby boomer welfare.
- Labor's policies are populist and ideologically driven and will have adverse unintended consequences. While much discussion has been around franking credits, the collective impact of Labor's proposed changes to capital gains tax, negative gearing, additional superannuation contributions restrictions, super contributions tax, taxation of trust distributions and higher income tax rates, all disincentivise saving for retirement in Australia. Labor will not collect the tax it anticipates, will spend anyway, and will damage the Australian economy. More retirees will have to depend on the age pension and "enjoy" a lower standard of living, while being dependent on the whim of future government policies.
- I think super should be taxed if a person takes a lump sum (limit of 100K) out of super whereas taking super as pension should be tax free
- Your Grandchildren will be negatively affected by Labor's policies - Labor might be more trust worthy if Grand Fathering was applied to Franking Credits
- Keep up the good work. Are you able to determine which parties/independents standing for the Senate are against the franking credit policy - those who would not support labour's policy?
- If govt defined benefit schemes were unilaterally and immediately closed for all current politicians and senior public servants i could accept the change.
- The questions in this survey are not impartial and are designed to invoke a negative reaction to the proposal. Cuffelinks should think carefully how you promote the results of this survey.
- Labor is no Robin Hood.....just plain old robbers especially of those who are not on

the government pension and who don't have excess funds in accumulation phase. Is this a vote grabbing policy for those that don't understand its impact? If so, will it be modified if they get into power?

- I am a swing voter. I receive a defined benefits pension. It is taxed till I die, at the full marginal rate, less 10%. The scheme was designed and legislated when Commonwealth fiscal policy settings and social philosophy were different. People did not live so long. Those receiving had no say in their scheme. Most were serving their country in the Defence Force or public service and generally receiving less salary or experienced more restricted work conditions than those in the private sector. Individuals paid compulsory pension contributions of 5% of salary. Self-funded retirees, meanwhile, much later under Costello, got a windfall gain with full tax exemption in retirement and then franking credit rebates as a bonus. Allowing many to retain their wealth for family. Both defined benefit pension recipients and self-funded retirees paid their fair share of tax and both help the government reduce the old age pension liability. Either tax everyone till they die with no concessions or let all and any income over say 70 be completely exempt of tax.
- I cannot believe that this stupidity of treating one area of the electors differently is still on Labor's agenda. It shows that the parliamentary wing is not in control and that is an even greater worry.
- I'm not changing my investments because I'm still in accumulation phase.
- How can one know if one should change super structure and how to change it anyway? Are polities effected same as self-funded retirees?
- How can it be fair to say a pensioner prior to date X is exempt, but those after it are not? How can it be fair to exempt a pensioner who gets a government pension of \$Y, but not one who gets exactly the same pension \$Y from another source?
- The policy is discriminatory
- No matter who the politicians are they can't keep their hands off our super. It's not enough that we save them a fortune by not going on the pension.
- I'd like to see a phased introduction to give people time to readjust their asset allocations, such as gradually reducing the maximum refund over a period of 3 years.
- Receiving any tax refund when you have paid no tax is ridiculous.
- The policy is not fair as the outcomes are different for investors according to the structure of their portfolios. The policy will

push more people onto the pension and encourage riskier investments.

- One of the worst public policy decisions that I have witnessed in my 42 years investing in superannuation.
- it will not raise the revenue that it is expected to raise.
- If this proposal is aimed at encouraging people into Industry Funds, it is cynical in the extreme. As it is the proposal can have different people on exactly the same pre-tax income end up in significantly different after-tax outcomes. Apart from destroying the principles of a fair tax system it unduly punishes people on lower incomes who have saved diligently for years in order not to be a burden on the taxpayer. The end result will be less tax raised than expected and more taxes used to pay public pensions.
- Will Labor progress in time to banning other tax refunds?
- We made our financial arrangements many years ago to be self-funded retirees and we are fed up with whichever party is in government, tinkering with it, must be because we are easy targets
- Any franking credit rules need to apply to all Australian's not just particular groups.
- I wish governments would leave our super alone like they did with their own for many years.
- Too much misdirection from wealthy people on their own version of Centrelink, aka the ato pension but better than the Centrelink one because no means testing or voluminous paperwork.
- Once again retirees are targeted. How are we supposed to make plans encouraged by Government policy only to find continued tinkering with the system that penalises those who made their plans legitimately. Such changes made retrospectively are grossly unfair.
- Set retirement based on the law at the time. Law change to happen when no longer able to resume employment.
- Keep up the good work
- Labour either does not prefers not understand the imputation credits system i.e. the company has already paid 30% tax on behalf of the owners i.e. shareholders & the shareholder is entitled to that credit If say an SMSF in pension phase with no accumulation portion is not "entitled" to the imputation credit of 30 % tax already paid obey the company the SMSF because in pension phase it does pay tax then that SMSF should be given 100% of the shareholders profit i.e. the 30% company tax should not be paid by the company on that shareholders behalf

- I will change my personal and super investments if the Labor policy ever becomes law.
- There ought to be some concessional limits to enable smaller investors to continue to benefit for a defined limited period e.g. one year after implementation.
- attack on SMSF's. attack on those who've provided for ret't as much as possible. already changed some assets treats people unequally
- Definite RANT!! What galls me is the indifference shown by the ALP to the little savers who have 1) avoided reliance on the pension and 2) saved a modest amount and ploughed it into super pensions within SMSFs. These are not the rich people who will be unaffected. How the ALP can wilfully discount the interests of this section of society appalls me. It reveals their attitude toward what they might classify as the noisy petty bourgeoisie. Class consciousness has overtaken (re-emerged?) to control the ALP. The hard leftists have won the "narrative". The hand wringers complaining about the proposed changes to franking credits are regarded by the ALP (and most of the indoctrinated young) as little more than modern day "kulaks" whose interests are of no account and therefore who are politically dispensable. Little do they know who provides the drive in our economy.
- It punishes those who have worked hard to fund their own retirement under existing tax law. It will cost the Gov'ts more in the long run as more people will adjust to go on the age pension with associated side benefits and will discourage people investing in Australian companies that pay tax here.
- My SMSF has income from Accumulation Fund which may buffer the Imputation credits
- If Labor is elected, the policy will face opposition in the Senate and will be watered down or rejected.
- The Labor Party has no interest in self-funded retirees and doesn't care about older Australians.
- I think it is extraordinarily arrogant to tell people whose retirement income this trashes that they should vote for someone else. Wouldn't it be great if each Treasurer's budget speech began with them thanking taxpayers for their contributions of the past year?
- The proposed policy will act as an incentive to invest more in growth stocks rather than income stocks paying franked dividends, which could increase investment risk. The policy will also encourage more investment in overseas stocks rather than Australian stocks - does the Labor Party want this? What is needed is a review of taxation of superannuation, especially whether funds in pension phase should enjoy zero tax on earnings and capital gains.
- Read Jon's article and don't get it that company tax paid is in fact paid by the shareholder. The company tax is the Governments, the shareholder gets the rest - just like a salary. To avoid double taxation (and that is the point) any tax I pay can be offset by franking credits. I can't see why there should be an offset for "no tax" PS Labor's policy will cost me.
- since retiring have lived a comfortable life with no excesses. Had to learn about finance and the need to maintain my capital-our generation were told there will be no pension and therefore any super available must be looked after in terms of not losing money but providing -mainly thru dividends and franking credits-. enough to live on. As such rely heavily on tax rebates which contribute around \$20,000 p.a. and loss of this will obviously seriously impact our lifestyle
- A compromise of capping the refunds at \$15-20k p.a. would be more acceptable.
- I find it incredible that Bowen & Shorten continue to hold on to this policy, which is losing them votes everywhere, when it would be far smarter to swallow their pride and drop this stupid and inequitable policy, which legitimises actual theft by government in not refunding franking credits for tax already paid.
- This policy has no direct impact on my tax status but will impact my SMSF and my wife who retired to spend more time with the kids meaning her yearly refund of \$5k will no longer be received.
- I have made submissions in writing to standing committee, National Seniors, Super Concepts, Amcil, AFIC, Djerriwarrh, Mirrabooka and WAM. Also travelled 16-hour round trip to attend standing committee meeting. Very stressful. Totally unfair as we will lose over 25% of our income. Played by the rules and saved. Contributed every \$ to my super as I was self-employed and paid into all my employees' super. A fair go for all Australians??
- Will keep powder dry until election outcome is known. If "Blackout Bill" wins the election and the franking credit proposal is passed (a big if!) then I will be taking whatever steps are necessary to restructure my SMSF investment strategy. All scenarios would be on the table-without "cutting off my nose despite my face".
- A policy that openly alienates a large sector of the economy with open dismissal of this

sector - they can vote against us if they don't like it

- I intend to take no action until the legislation is passed by both houses of Parliament. In the meantime, all this demonstrates is that both sides of Government have no regard for retirees and low-income earners.
- We oldies get enough benefits. About time that we pay some tax
- Unlimited cash refund of franking credits has become too much of a drain on net consolidated revenue. Rich retirees are getting advantages that burden the rest of the population.
- Governments have the right to increase taxes but do not have the right to make irrational changes to a logical rational policy
- it is very difficult for self-funded retirees to plan for future price increases when money they budgeted for is stripped away
- This policy appears to target the retirees who are perceived to be on a good wicket due to no tax on income from retirement income streams. If this is an unacceptable policy should we not simplify the system and tax retirement income streams in the same way as accumulation funds within the superannuation environment? It also needs to be remembered that most people now with retirement income streams were taxed very highly in their early income years both via personal tax rates and additional tax on super contributions.
- A lot of the media around this has been about retirees. We are a young single income family who have invested in the hope future dividends will help cover future education expenses for our kids. I know University students who have put money away into the market while they have been in the workforce to give themselves an income or supplement a scholarship while they complete a higher degree. This policy affects a lot more than the supposed target of rich SMSF owners who can declare a tiny taxable income. If that's the problem Labor wants to fix, they should be honest and target that!
- I don't accept the argument that company tax is just a withholding of personal income tax. The refunds are an over-generous gift. I think the ALP should propose a limited grandfathering so affected people can rearrange their affairs (e.g. \$5k limit on refunds for the next two years).
- It is the right thing to remove the franking credit benefit, but the proposed implementation method is poor. The means testing being proposed creates perverse outcomes (e.g. given the choice to save or spend at or leading up to retirement, some

persons will receive more retirement income if they choose to spend).

- Will be paying extra attention to candidate voting preferences in the upcoming Federal election
- I don't intend to change my investments or super fund as a result because it doesn't affect me in my stage of life. I am vehemently opposed to the policy because it is an act of political bastardry dividing the community and the overwhelming benefit of industry and retail funds over SMSFs.
- I agree in principle to this policy, the actual framework needs to look very carefully at how to balance 'actual income', taxable income and govt pensions. Maybe a phase out would be a better transition
- If implemented money will flow offshore
- I was taught to be a saver, I saved for my retirement & not rely on the public purse under the existing laws at the time, but now the rug is being pulled with no chance of regaining employment, & no 'grand fathering' - a very low trick proposed by the Labor Party.
- The only way we will stop government constantly changing the rules is to fight .We didn't fight the previous changes and look what has happened .The only way to fight is for retirees to pick a week and sell their shares and watch the political fallout All the young people who think this is good are oblivious to the fact that when the parents pass they are hit with a 17% tax (death duty) on their super and this will probably be increased again. Governments have to stop attacking super as people have no option other than to contribute many people would be much better off if they had access to that money and invested it themselves and put the money in the bank who by the way don't get taxed (death duties) when you die.
- Observation on the alternative suggestion of a tax on pensions: It was Labor's (Keating) greed in the 80s that changed the original fair system of tax deductions for super contributions and relief from tax on accumulating super assets followed by standard tax on the resultant pension in an early tax grab which resulted in the mish mash we have today. They are at it again. Any move to taxing pensions in future would have to make provision for freedom from tax during the accumulation period and grandfathering of current pensions, increasing the complexity.
- It's not a good look when the biggest recipients of franking credits. The Future Fund gets a free pass. One rule for Politicians savings and another for an easy retiree target.

- If they feel that they are losing revenue on the refunds of franking credits, they should make fully franked dividends non accessible income. They cannot have it both ways.
- Just change its name to tax refund
- I understand the necessity to wish to tax the well-off retiree in some form, however aside from the "double taxing" issue of this proposal, labour seems not to appreciate the implications on those self-funded retirees at the level of having too much to be able to obtain a health care card, electricity discounts etc, have to pay all own health expenses - those people who have saved hard for retirement on not high wages, forgone holidays, eating out and so on, just to be a little safer in retirement. The threshold amount to claim any benefit is not that high (a self-funded retiree at the lower/mid-range) and to my view, is financially worse off than their peers on a part-pension. Any discussion on the part pension retiree seems to be based on those people who have been able to claim access to the HCC prior to the changes made to the threshold levels a couple of years ago. Anyone retiring in the past 2-3 years really doesn't have to have a lot of assets before they are effectively on a lower standard of living than their peer who hasn't saved. Whilst many respond by saying they would simply spend so as to reduce their assets to a lower threshold, the elephant in the room for any retiree is aged care - if one doesn't have money then aged care either in home assistance or in a facility will not be obtainable - it is and will become even more expensive.
- My daughter is a stay at home mum. Recently inherited \$200k to be invested in shares. As her income (about \$8k) will be under the zero tax she also loses her franking credits!
- I've never read such b-s as has been written by opponents of this change, all of them with vested interests to protect. Jon Kalkman's article would see a company pay no tax on profits from the proportion of its income paid as dividends. The proposed changes undo yet another legacy of Howard's welfare for the rich.
- As a 72-year-old widow I am very reliant on my smsf pension, the rules always seem to be changing these days and I just wonder why I bothered setting the fund up years ago. Decisions were made based on the rules and they keep moving the goal posts. I am too old for all this
- This Huge amount of money goes to many Very Well-Off people who Don't need the "tax refund". Introduced by Howard to bolster his base. Time to be equitable and fair.
- The franking issue doesn't just apply to super - it's also on trusts and individual holdings. Will all of the franking credits be included in Adjusted Taxable income for determining eligibility for Seniors Health Care Card, or only the franking credits used? What is also pernicious is the proposed 30% tax on family trusts at trust level, not at beneficiary level. Will that tax be franked?
- Even if Labor is elected, I doubt it would obtain support for this policy in the senate.
- The most divisive policy imaginable. It divides the Australian population of a similar demographic into winners and losers. I have voted Labor in the past. Never again. They have betrayed my trust.
- the franking system was designed to eliminate double taxation. refunding tax not paid means the govt gets no tax on that profit
- I saved hard to accumulate my share portfolio and thus become a self-funded retiree. Labor's proposal is a race to the bottom and a bad signal to future retirees who wish to be independent and not a centre link client.
- I will wait and see what they change before deciding what to do.
- Don't need to change my investments because I will still qualify to claim the franking credit
- In terms of a holistic tax policy, the proposing to remove the refundability of franking credits makes no sense. Wouldn't it be better to first deciding how the taxation of the profits of companies are treated in the hands of shareholders (or unit holders where there is a trust involved as a shareholder)? After making an informed decision that takes account of the operation of capital markets and the incentive provided by the franking system to encourage the payment of company tax, the ALP might be in a better position to consider the suitability of dividend imputation and how credits are treated by the tax system. Further why single out the refundability of franking credits and not consider other parts of the tax system such as how distributions containing tax deferred payments are treated? Clearly the ALP has decided it is all too hard and that it is easier to target low income shareholders and SMSFs pensioners as they probably don't vote Labor.
- Prefer Govts reduce expenditure rather than just raise revenue to redistribute to create sameness.
- saved all my working life to retire as a self-funded and be independent, but at a stroke of Labor policy I will lose 24% of my income.

- The policy clearly does not accord with Labor principles.
- This just plain bad tax policy as it affects different people in different ways depending on where and how they invest- not on their income level
- This is an absolute disgrace and utterly stupid to even contemplate heavily taxing low-income investors including self-funded pensioners.
- Capital growth can be used to replace refund of franking credits in my income stream.
- I do not understand why a govt funded pensioner (even a \$1) should get franking refunded for personal or smsf investments. It makes no sense. If the pension is inadequate then address the pension, don't create a special case. I don't understand why an ABP holder in an industry fund should enjoy franking credits but an ABP holder in SMSF does not. This is badly designed and applied policy. Of course, this affects me so I feel strongly about it. If labour wants to abolish or reduce franking credits, then do so unilaterally on principle not by trying to steer a cowards path through vested interest groups. What next no refund of PAYG for low income earners?
- If an individual is not liable to pay tax then any tax paid on his behalf, such as franking credits, should be refunded.
- Labor's refusal to openly debate this ill thought out "policy" is deeply concerning. If it so "good" then why are they hiding.
- Labor's proposal is more likely to hurt the lower income person. For example, a person whose taxable income is \$45000 will lose income from the loss of franking credits. A person on \$100000 would probably not receive franking credits
- Labor's policy misunderstands the principle of imputing company tax payments back to shareholders and puts those in most need at risk, unless they fall within a carve out. This is a mate's special and will prove very divisive.
- Appalling reallocation of wealth and money to mostly very wealthy people
- I am a long-term Labor voter but I'm considering not voting for them because of their proposed franking credit policy.
- Unfortunately, I believe Shorten understands the basics but is determined to wage a class war.
- Labor has adopted a policy of not discussing the fairness of the policy and simply saying the money will be needed for schools and hospitals. Long term the policy may not be sustainable, but the current Labor policy creates more inequities and its numbers for the savings will be severely tested.
- I think the objections of well-off retired people to not giving a rebate on taxes not paid are sad. We face an aging population and the well-off are advantaged by the dividend imputation system and no tax on super. I will probably lose at least \$70,000 in dividend rebates but I don't need this. Most wealth is really down to luck, good education, good health and intelligence. I would like to see a more egalitarian distribution of wealth as once a certain point is reached more money is not necessary.
- Grandfathering or a capped imputation credit cash refund amount should apply - very poor that Labor is effectively proposing retrospective legislation that targets self-funded retirees! They don't seem to understand the financial difference between a refund of tax already paid (\$'s IN) and actual budget spending on pensions (\$'s OUT) - they wrongly conflate both as spending.
- Luckily for me I was receiving a small govt pension before March 28.
- I have started to build a portfolio outside the SMSF
- If the proposed changes are introduced, then they should be "grandfathered". We saved for a self-funded retirement under the regulations at the time and they are now proposed to be altered to adversely affect many retirees. Moving the gold posts.
- It's time that self-funded retirees paid our share of tax.
- As a growth investor my dividend income is low representing 0.9% of my return last calendar year. I disagree with the proposed changes on the basis of fairness.
- Both parties will suffer from this thought.
- No.
- This issue has not been fully explained to the next generation regarding the disadvantage they will inherit? Once again they will have to create wealth under a regressive policy change.
- Labour party is good in making damage
- All superannuants should be treated equally by tax law not according to how they have structured their affairs. Super needs to be planned decades in advance and constant changes to the rules undermine the system. Unfortunately, both sides of govt. seed the super system as a sovereign wealth fund to be raided at will.
- It will not affect me as investment assets will be > \$10M
- When the liberals allowed pensions from super funds to be tax-free, I never believed it would continue as it is highly debatable if Australia can afford it in the longer term. The Labor proposal is clearly an unfair treatment of individuals in different circumstances. If

Labor want to increase tax revenue, then they should tax pensions from super funds even when the assets are below \$1.6m (which I have no objection to)- this approach is fair (i.e. equitable) to all but I understand many people will not support increased taxation.

- Let's get real here. Super/pension has been an extremely favourably taxed. It will by, necessity, be less generous in the future. The current generation of self-funded retirees have benefited more than any other generation will from favourable super tax concessions. A lot will have large balances upon death. It's just a matter of taking money from one pot to fund another. Of course, those who are directly less well-off are not happy.
- Unfortunately, most voters are financially illiterate - ignorant or lazy, or both. So, whoever spin best with handout promises will get the votes. And very short-term. Kids don't worry - beneficiaries of hard-working, hard saving parents!!
- I am an accountant - whilst it does not affect me directly at this point, it affects many of my clients. There must be a better way of revenue raising than taking money away from those who no longer have the capacity to earn money.
- My children (ages 35, 33 and 30) have no faith in Super as a means of providing for their long-term future.
- I will be looking at my options and would appreciate the SMSF industry helping us with ideas and worked examples of what options we have. I will NEVER put my money into Union affiliated funds on principle, even if it costs me money!
- This is the most divisive policy of any government since the conscription policy of the LNP. It is not good for the community
- As a mainly Labor voter I find this proposal short-sighted and poorly thought out. They should reform the whole tax system not just one bit (which does not need changing anyway).
- I will vote Labor last for sure.
- Excess franking credit refunds should not drive investment decision making! Those that are complaining about losing >20% of their cashflow are in a high-risk strategy, that has not served them well over the past 5 years, where Int'l equities and REITs have smashed the ASX200 and smashed banks/TLS/AMP by even more. They should take this opportunity to diversify to protect their capital rather than their income.
- If it applied to all equally it would be acceptable, but the discriminatory approach is contrary to fairness for all and I also note it

is not in the ALP policy document which contains information about policy on negative gearing and capital gains. A very interesting failure

- I hope the savings will pay the extra pensions that will appear?
- Labor's proposed changes are matched in their unfairness to the Liberals \$1.6k bastardry
- Labor's scheme is flawed but does mostly equity overall. There has been much misinformation, sometimes quite deliberately, about it. Much commentary is self-interested and less than objective. Super is for retirement support, not wealth creation.
- While I don't agree with Labor's policy, I think franking credit refunds should be capped. Say first \$10K refunded, then scaled back until cuts out at \$15 or 20K. Or something similar.
- I am still in the workforce
- I have paid tax on franking credits and do not believe the Gov has the right to take any of my after-tax income. Compare my after-tax income with a normal income earner tax payer on the same income and I am considerably worse off. Both parties having the same taxable income.
- From everything I have read, I think that Mr Bowen has got his modelling wrong on this. It will likely impact on a far greater number of people than his position papers suggest. I'm hoping for a re-think/fine tuning pre-election.
- I think there is a great deal of emotional misinformation about this policy. It seems many people don't understand that this is NOT a new tax but an attempt to rein in a very expensive (and increasingly more expensive) benefit for largely well-off people. Pensioners will not be affected, as well as people with SMSF's which are small enough to allow some of the age pension to be collected.
- I feel that the Labor policy is right, but because it is not grandfathered it will unduly impact on self-funded retirees. It should be phased in to reduce negative outcomes for retirees.
- These guys have lost the plot, tax right left and centre, then hand out free money willy-nilly, whilst setting in train attitudes of someone else pays, requiring no aspiration thinking, this coupled with ridiculous energy changes and whilst we are about it, let's also shut down any industry that's left. Does not auger well for future generations, it is a sad situation.
- This change will cost us income, however the current system is not sustainable. This "solution" is the wrong one for the sustainability problem. The real problem is

zero tax on super pension income and this will also need to be addressed in time as more & more people move into pension phase.

- There are many people on low incomes with a few shares in AMP, CBA etc they picked up in demutualisation or public floats. Lots of mum and dad investors where (non-working) partner may have some shares, carers, people with family or medical reasons for not working, women excluded from the workforce with poor super savings, and guys like me (mid-50s unemployed) and relying on dividends to meet living expenses. All unfairly caught in Labor's frothing anger to tax the 1-2% of wealthy retirees they think are rorting the system. Not happy Jan!
- One of the reasons franking credits were brought in was to stop company's going offshore and not paying Aust tax. Paul Keating's action in introducing them brought quite a few businesses back to pay Aust Tax.
- Thinking of suing Labour for stress pain and suffering at our ages having obeyed the rules of the time scrimping and scraping to arrive at our position of self-funded retirees SAVING the govt welfare payouts. Has anyone done the costing costs of Labours plan as against their so-called savings/TAX? e.g. SF retirees spitting the dummy, rearranging their affairs and going onto pensions/welfare plus all the Mums and Dads who will lose their super portfolio value as the bhp's Telstra's 4 banks etc all tumble in share price"
- I am more concerned about the change to capital gains tax discount. If we sell shares held over time the tax will be much higher. A worry for our heirs!
- Tax income has to come from somewhere. We have had a good run of benefits. No need to get hysterical.
- I think the root problem is not franking credits or their refund, but that a certain segment of society (persons receiving superfund pensions) pays an inadequate share of total taxes. To the extent the current proposals create relative inequities (eg and SMSF pensioner loses the benefit of franking while, say, a retail fund pensioner retains it) this could be ameliorated in many ways - although it does add a layer of detail. If, as originally stated by labour, the issue was members / funds with very large balances paying no income tax and then getting all the (substantial) company tax paid on their behalf refunded, then I can't see why this cannot be contained in a more targeted way that achieves the policy aim without adversely affecting funds / members with smaller balances / pensions. For the record, my 2-member SMSF has been a strong

beneficiary of the refund of franking credits over the last few years, all while neither the fund nor the members pay ANY direct tax.

- There are simpler ways to raise taxes - remove off market buybacks.
- It appears Labour do not want self-funded retirees and with their policies are simple putting in policies that win them vote by mainstream Australians. Changing arrangements that have been in place is bad policy.
- The anti-Labor proposal MUST get organised and get the younger tax payers attention to this matter. At the moment I don't think they think this is an issue for them, so therefore will be voting in the dark and wonder why their Super fund is not doing so well a bit later.
- I do not know the full story of what Labor are proposing.
- I think more should be made of the false outcome of Labor's \$55 billion number (over 10 years). As investors who can use the franking credits will move from tax-paying asset classes to those that are franked (to take advantage of the availability of these franked assets), the tax "advantage " Labor thinks they are going to attract is significantly less, and likely zero.
- Companies and individual tax payers are separate and distinct taxable entities. Dividend income should be taxed at taxpayers marginal rates. Those on zero should not get a refund of tax they haven't paid.
- Think it is most unfair as it affects those of us who have actually 'saved' for our Retirements, in the meantime if anyone has a Pension Card, they are entitled to claim their Franking Credits, along with some of the Funds. Unbelievable!
- I am 70% invested in growth assets of which Australian Shares represent 40% Labor's policy would cost my Super Fund\$22000 approx.
- We do stand to lose a refund each year but while I am not overly happy about it, I don't think Labor's proposal is completely unreasonable. We have had it pretty good over the years, but it shouldn't be to the detriment of the national interest.
- I am still fully employed intended to retire this year at 73 will now work until 75 when the concessional super contribution expires. Move \$300k into super from downsizing and invest growth assets higher proportion
- Typical of the Labor party. Move the goal posts. They forget we are self-funded retirees. Do Not receive a Govt pension YET. Bowen remarks show he hold us in contempt.

- There have been comments that people will change their investments including moving overseas. Most of the SMSF money is already invested in the highest dividend paying quality stocks and the franking credit handout is icing on the cake. Also, Australia has one of the highest dividend payment rates of the major economies so people are unlikely to get better returns offshore. Just bleating and mis-information!
- A significant reason for my opposition to the Labor proposal is that it appears to be unfair, in that it applies differently to different classes of taxpayers.
- It is immoral to change conditions when those conditions were part of the basis for earlier planning. Labor should be aware that this policy will have detrimental effects on the Australian economy, investment in Australian companies and in the long term on the social security system
- If you want a stupid tax the labour party will always manage to invent one.
- This policy does not pass any fairness test. At the very least the changes should be grandfathered (as many other policies are) so as not to penalise those who have no room to move and whose income will be considerably reduced.
- The Labor Party are totally ignorant about franking. I get sick of their sole argument that self-funded retirees are rich! After their policy comes in, fat cats like Labor leaders will still get franking credits - but I, on a fraction of their income, won't.
- We are disgusted with Labor's proposed policy. Having been Labor supporters for many years and saved hard over this time to fund our retirement we feel betrayed by this proposed policy and will not be voting Labor at the coming election. My wife will be resigning her membership of the Labor Party having been active for many years at state and federal levels.
- One way around the divisiveness would be to have a progressive scale for ALL recipients - eg first \$1000 fully refunded, next \$1000 99% refunded, next 98% and so on.
- Labor Has no idea on the impact of this change. As a minimum the current system should be grandfathered Then tapered over the next 20 years for new retirees
- When will Labour get to answer my emails?
- Bowen says we can vote against them "We Will!" That's my election slogan
- this is another way of tampering with and reducing faith in the retirement system.
- if the ALP wish to change the taxation rulings, they should also tax charities, unions, get up and the church, although a lot of their funds will be going out in compensation
- Very unfair tax because we all aren't given same conditions to be able to access franking credits
- There'll be pain, and losers and winners, as those with SMSFs try to adapt to the changes which, depending on the Senate, may never come fruition. I'm strongly recommending to my Labor voting friends (peers) that they vote in the Senate for a candidate who will reject Labor's policy as it currently stands i.e. no limit and / or grandfathering.
- Great newsletter. Keep up the excellent work.
- also seriously consider and implement wealth transfer strategies to the next generation to lower personal marginal tax rate.
- I am retired & have taxable income from shares outside of super. I usually get a tax refund because of charity donations. This will no longer occur under Labor policy.
- Labor winning the election is going to be disastrous for the economy.
- If super pensions were taxed similarly to pre-2007, then franking credit refunds would surely not be an issue. If this goes ahead, then I can make a trading capital gain tax free, but I pay 30% on dividend income. And if it's not my income in the first place, why do I need to declare it? I must say I have been appalled at the avarice displayed by my fellow retirees - we need to pay tax, but this proposal is riddled with flaws!
- Disgusted former Labor voter. Understand motives re funding hospitals and schools but reform the whole system not just this target non-tax paying billionaires. Stop painting the grandparents of Australia as rorters. At least put a cap on allowable cash refunds for a period to give time for retirees to restructure. 18 years part of the retirement landscape and gone with a few weeks- May election to June 30 to restructure our retirement.
- This policy is discrimination at its best. Why do some like Union Funds get to keep franking credits and retirees don't.
- Not a happy camper. Will never vote for LABOR.
- I will consider selling cum div, and re-buying ex-div, to attempt to capture the franking benefit via capital growth rather than income.
- If Labor wins the election & tries to get this proposal through, it is far from certain (in my opinion) that they will get it past the Senate. I add that it will not affect me personally as I was in drawdown phase prior to their "magic" date. However, I think it is quite unfair to the many who have based their retirement planning on rules that Labor now wish to change.

- Less income coming into our SMSF will mean less expenditure. Charity donations likely to be diminished or cut off completely.
- The franking credit is part of my taxable income and any surplus tax held by the ato on my behalf should be refunded to me. Shorten, get your sticky union fingers off my money.
- Just hope people in the Senate block any proposed changes or at least place a value on what can be claimed maybe linked to the value of your SMSF.
- Governments should analyse and eliminate waste in expenditure before taking the easier option of just increasing revenue by increasing taxes
- Bowen and Shorten will bring on a recession in late 2019 as a result of their policies. Investors will stop investing in housing, rents will go up and a flight of capital will affect all dividend paying listed companies. The positive effect on the treasury and budget, will be much, much lower than hoped for by Labor!
- hopefully the Labor party will lose the unlosable election
- This is a dog's breakfast of a policy. It fails all the principles of sound public policy. It will be a nightmare to administer - I can see the accountants and financial advisers rubbing their hands with glee. As investors change their behaviour the savings will diminish and, if people resort to the Govt pension and drop their private health insurance to save costs, Govt expenses will soar. Younger people will lose faith in compulsory super and Labor will bring the whole system down reversing the good work of their guru, Keating. How stupid!
- Thank you for this opportunity to voice an opinion on this misguided policy.
- The proposed policy needs to be augmented by increased taxation rate on wealthy individuals and high earning SMSFs.
- Governments of all persuasions need to stop short term meddling in long term vehicles used by most Australians for retirement planning. Once retired, individuals have little scope to recover from this meddling.
- Discriminatory policy.
- How dumb is the Labor Party? They have the classic "drover's dog" election coming up and all they had to do is sit on their hands and keep their mouths shut, but, oh no, Shorten and Bowen had to give their best shot at snatching defeat out of the jaws of victory. I think they have completely underestimated the harm this thought bubble has, and will, cause them. Know all we need is for the Coalition to behave themselves for a few months (no certainty in that, granted) and they may be in with half a chance.
- If Labor wins the election and is able to legislate the proposed changes, I will make every effort to reduce the impact on my financial position and will no longer be too proud to rely on the public purse. i.e. like the politicians put my snout in the proverbial trough!
- Pensioners are only exempt if on a pension before 31 March 2018. Even you do not understand this!
- The amount of franking credits refunded to my Super Fund is approximately 40% of the Fund's income annually. The Fund was set up under the law as it stood at the time and to now change the rules to eliminate such a major part of the Fund's income is most distressing.
- I'm a lifelong Labor support who has never voted Liberal - until the next election!
- This issue needs to be considered in a whole of society basis. The Royal Commission highlighted how the financial services community must begin to do that or it will continue to be singled out for its greedy and at times, consequently, unethical behaviours.
- I will lose in my SMSF (about \$1.1mil) approx. \$20,000 pa in Imp. credits which currently support my pension!
- Current Labor Party member, lifetime Labor supporter. Will not vote or preference Labor while either Bowen or Shorten remain in politics or while this policy remains in place
- My wife and I hold a SMSF with less than \$1.2M with the majority of Australian shares fully franked and expect to be impacted by Labour policy.
- Ill thought out policy clearly aimed at benefiting industry funds and disadvantaging SMSFs.
- The labor policy shows just how dangerous labor are. They are clearly thieves and proud of it. Their policy is just as sensible as mine which advocates that all parliamentarians who vote for the legislation should have their entire family assets confiscated to make restitution to those who have had their franking refunds stolen
- Franking credit refunds are fair. Taxing company profits twice is not fair.
- 1) If labor is elected, it may still be possible to to block its intentions in the Senate.  
2) The alternatives that I have canvassed are uncertain in matching my results from focussing on very successful Australian companies. A whole new layer of risk is added.
- the Labor policy favours industry funds and discriminates against SMSF. The Labor party are publicly telling lies to the community. More needs to be done with public hearings to counter the Labor lies

- Politicians of all persuasions need to grow balls and review the entire taxation system in a bipartisan way and stop cherry picking.
- Labor believes they are going after the wealthier by stopping the refund of franking credits, but many average workers and self-funded retirees will be financially affected by the proposals.
- I've done my part over my working life to not be an unnecessary burden on the Australian taxpayer so why am I being penalised when I am no longer in a position to do anything about it. Labor has stated in the past to stop moving the goalposts on superannuation - but they are sneaking in the biggest goalpost-move-trick of the lot after I have set my retirement funding up according to the rules that exist to this point. It's a low trick when Labor then pulls the rug out from underneath you. Basically, how can you trust them because they obviously have other tricks up their sleeve which they will only reveal when they have suckered everyone into place.
- Investment decisions should be based on the investment with tax considerations overlaid. To suggest investors run around changing their investment style due to a reduction in tax benefits doesn't add up. ASX shares are largely income stocks and, there isn't too much alternative to deliver consistent income from a portfolio. Likewise, moving assets from a SMSF to an APRA fund to supposedly harvest the credits doesn't add up. The yield on all share-based portfolios will be lower as a result of this policy and, even though the tax credits can be utilised across the membership, it is not going to enhance the return to the individual investors.
- I currently exhaust most of my FCs because of interest from large cash holdings (awaiting a crash). Once this cash is invested elsewhere, the Labor policy will cost me more than 10% of my income.
- Liberal, Labor and greens have cost me about \$4-5000 each with super changes and with this Labor policy another \$5,500
- The best solution to this mess is not to vote Labor - place them last on the ballot paper for both houses.
- This policy needs to be considered with other damaging policy - capital gains and negative gearing.
- Continual changes to the rules need to be grandfathered so those that have prepared for retirement based on existing rules are not continually disadvantaged. It has become a total pain in the arse!
- Typical Labor tax grab!
- The policy proposed if implemented should at least be grandfathered. It also proves that the opposition cannot manage finance without cash grabbing, in this case SMSF retirees that have planned their future around an existing policy that the Liberal Party has no issue in allowing it to exist in its budget management.
- You can't just change superannuation on a political whim. Many poorer people depend on franking credits to survive.
- Labor know it's unfair, but they just don't care. It's pure politics and theft from Liberal voters.
- Anyone who invests without diversifying legislative, political or country risk has to manage the concentrated downside outcome. The concept of reduced taxation on dividends exists globally so it is a misnomer to state Australia is the only country with this. One advantage of the franking system is the advantage for home country investors vs foreigners and secondly the greater capital structure stability due to higher equity vs debt. This benefit will not disappear but will reduce due to Labor's demands
- Credits average 10-11% of my SMSF income for the last few years. This change will reduce my income EVERY year.
- I won't be impacted as I can change my structures, but I know of so many other family members and friends that will be impacted as they cannot change their investment structure. none of those people are rich.
- The fact that they have made exemptions to placate certain individuals or groups, is a strong indication that this proposal was never thought through properly.
- Assuming Labor is elected & committed to this policy then fairness would set the part pension asset threshold should be applied to part pensioners and self-funded retirees
- Creating a disincentive to invest and fund my own retirement.
- I have always voted Labor. Now I will never ever vote Labor again. Their policy only hurts those least able to afford it. Others can avoid it.
- If the biggest richest people are getting 80% of the franking credit refund, then limit it. Don't stop it all together, just to the really rich people, who don't need it anyway. We will change our investment behaviour, re have to, when capital gains tax increase is taken into account.
- Labour has many other disastrous policies to implement if elected. Satisfying the demands of the Maritime Unions would be one disaster!

- The proposal will tax profits made by companies & distributed as dividends bear greater tax than other income like rent & interest
- Labor has for all my 86 years been a vicious bunch of unthinking thugs.
- One age pensioner receiving a tiny age pension will not be affected, but his neighbour just over the pension assets test threshold absolutely is. How unfair is that?
- There is no fairness in a taxation policy that treats people differently.
- This is a terrible policy for people like me who have worked hard until I was 70 and are not a drag on the system. I do not require a gov tax payer funded pension like many people I know who have not taken the same risks and made the same sacrifices.
- I am new to Cuffelinks...Thanks for a great resource !!!
- Good luck to future generations with all this political interference of the superannuation industry. Rightly no one could trust the principal of providing for one's future when the rules are simply altered to access their retirement savings. With literally a "legislative gun" they act like the bank robbers of old to access our savings and stuff it into their satchels then run to their "getaway ComCars" and celebrate their ill-gotten gains in the Parliament Chamber !!!
- Inequality in our society is increasing and hard to fathom now. The current settings result in taxpayers' money being paid to wealthy retirees who pay no tax, while calling themselves self-funded. It's unfair, whatever the technicalities, on the less well off, the young, the pensioners, hospitals and schools that could otherwise be funded. That the same people probably also were lucky in getting the housing boom and free education and still want to keep more is galling.
- It may mean we need a tax on pension super income - but it shouldn't result in more tax payable than an ordinary marginal tax payer and it should take into account the tax we already paid on the contributions going in! something like maybe 10% I could live with, provided I get to keep my franking credits?
- For one reason or another I am not eligible for a pension, so my total income is reduced from 30000 to 24000 dollars. I will need to use capital which hopefully will last longer than I do.
- This proposed Labor policy change is nothing more than a retrospective change to the tax system - if they are going to implement it, they must either grandfather existing arrangements, or impose them on high net worth funds only.
- I don't think Labor understands franking credits
- Labor just doesn't seem to understand how unfair their proposed changes to franking credits are
- Blatant discrimination against SMSF and retirees of modest means OR Blatant ignorance by Labor and their flawed and dangerous advice on the real implications and repercussions of their breathtakingly stupid and cruel proposal.
- Taxing people differently based on where they hold their franked income assets is just plain wrong.
- The proposal is patently unfair to self-funded retirees
- I have worked since I was 15 on minimal wages most of my life, have scrimped and gone without many things so not to dependant in old age. I now wonder why and should have aimed for a pension 10 years ago. The pension I would have collected will outweigh what I will be robbed of with this policy.
- I have already transferred my SMSF to an Australian Super pension account, so I don't have to worry about how the outcome of the election affects my income. It also makes being in pension mode stress free!
- Impact on charitable donations in personal tax accounts. Our donations place us in lower tax brackets, and we obtain refund of most of franking credits. We will lose this and may have to reduce level of donations.
- Myself and my wife will not vote for Labour unless this proposal changes so we can keep our small franking credits, must be some upper limit.
- Typical Labor party envy of the rich with really unfair consequences for everyone.
- There may well be a good argument about the cash cost to the Government of the day in respect of the refunding of surplus franking credits(i.e. those that are in excess of the tax payable), the issue to me is the seeming inequity where the franking credits can be used to eliminate or reduce tax payable in larger funds (thereby depriving the Government of the day of tax revenue) but not for a taxpayer who has no tax payable. It seems better or more equitable to say perhaps that the tax offset (for want of a better word ) should be limited to the effective tax rate of the taxpayer, so for an Industry fund then a franking credit of 30 cents can only be used up to the 15 cents tax rate, the rest is lost, alternately why not address the real elephant in the room and bring in taxation on superannuation pension payments e.g. a tax rate of 5% levied on all taxed components of superannuation

pensions. The current system is too good to be true, but the current political class and their treasury advisors seem unable to be honest to say this and admit it must be changed. Alternately or at the same time, increase the GST as a means of recovering more from those who are in the tax-free pension position.

- The tax is an attack on a section of the community that are not traditional Labour voters. Also, it is derisive in that pensioners that have an income equal to having a 750k super fund are exempt. We played by the rules, paid capital gains on shares and property to not be a burden on the aust population and now we are being derided as wealthy, which most of us superannuants are not
- They are just obfuscating the fairness of this plan. It discriminates against those who planned and saved!
- I don't see how it is fair on all recipients of Franking Credits. Surely a reduction in tax amounts to the same thing as a cash refund i.e. money out of government revenue paid to taxpayers. We are still ALL taxpayers as money spent by individuals includes GST and various other state and federal taxes.
- depending on final outcome of senate after the election, strong lobbying of independents will be essential.
- a lot of thought went into our retirement plans - having to change strategies was not one of them
- An extremely, ill thought out policy by Labor:
  - For tax payers on a marginal tax rate < 30% taxes franked dividends at a higher tax rate, 30%, than all other income. Picks winners & losers by exempting some individuals & funds. It gives a free ride to some in pension mode, in pooled funds, paying 0% tax, where the funds have a large proportion in accumulation mode. If someone in a SMSF rolls over into to any pooled fund, the impact on tax collected by the ATO, is 0%, The effect on the ATO's bottom line is no different if a franking credits is refunded to a fund or individual on a marginal tax <30% or is used to reduce someone's tax by 30% & who has a marginal tax rate >30%. A \$ going out of the ATO, has the same bottom line impact as a \$ not coming in. The amount of tax collected by the ATO is determined by taxpayers' incomes & tax rates. It is not determined by how the current dividend imputation works, which taxes everyone at their exact marginal tax rate. The maths of the current system:
    - Let the fund or individual's tax liability be \$X
    - Let the fund's or individual's number of

franking credits be \$Y

- If  $\$X > \$Y$  the fund or individual pays  $\$X - \$Y$  additional tax.
- If  $\$X = \$Y$ ,  $\$X - \$Y = \$0$ . No additional tax or cash refund is due.
- If  $\$X < \$Y$ , a cash refund of  $\$Y - \$X$ , representing excess tax paid by the fund or individual, is paid.

You can use the same maths to use with PAYE tax payers, who have tax deducted by their employer & sent to the ATO. Labor have not remotely justified their policy. All we hear is a lot of half-truths, misdirection, obfuscation, appeal to inter-generational jealousy & outright lies. How can franking credits be added to your other income to calculate your taxable income on the one hand but can't be deducted from your tax liability as is Labor policy.

- Modest super income streams plus some franking credits organized for retirement years ago are about to get whacked.
- It looks like it will cost me \$19K, large loss on my SMSF pension. Will need to take on more risk to maintain income. Unfair change after years of financial retirement planning within the system. Unfair different treatment to others in say an Industry fund.
- It is a bit late to restructure your investments and strategy once retired
- Bowen's proposal is the mark of a coward. He wants to pick on what he sees as a vulnerable group and then do some thieving!
- Politicians should NOT be changing the goal posts all the time. People who are retiring had planned their retirement according to the rules that were previously in place. How can they survive with the current changes?
- If they bring it in, why exempt pensioners? The principle is either correct or not. Purely political!!
- It's not law until it is passed thru both Houses of Parliament. It will impact on low income earners who have some shares but not large incomes. It will impact more and more over time. Typical policy to attack one segment with the argument that the money saved will be used for hospitals or the like to gather support. A typical politician proposal that won't affect them given their substantial pension scheme which provides a pension not subject to the same rules as everyone else?
- I hope there will be a last-minute turnaround and Labour gets ditched. We will have to think smarter if they come in.
- There needs to be more active action for the election opposing Labor's proposed policy. Young people seemed unconcerned because of ignorance about franking credits. Labor is depending on this.

- Investment is about risk management. Investing for dividends plus franking credits is lazy and consequently, risky investing attitudes.
- Should be grandfathered for SMSF pensions started pre-2018
- Labor shouldn't touch what they don't understand, and they are kidding themselves as to the likely benefit to the Budget.
- Seems to be totally unfair and inconsistent with Labor philosophy. Sound bites like "welfare for the wealthy" and "tax the millionaires" are blatantly wrong. It's the self-funded pensioner just above the government pension thresholds who will be worst hit.
- I would not advise anybody put any more money than necessary into super. One could be excused for feeling Labour introduced compulsory super to rob savers in future years
- The only fair thing to do, should it be considered that super in pension phase is not contributing sufficiently to the tax base, is to tax all super at 15% and leave franking credits alone.
- A very poorly thought out policy. In addition to mandatory taxing Trust of distributions, and a reduction in Capital Gains discount, the Labour Party if elected will make life difficult for investors.
- The people most affected will hopefully be smart enough to take advice that will help avoid the implications. If so, as a tax raising measure the policy will be a failure and a joke that creates doubt about labour intelligence.
- Won't be voting Labour, that's for sure!
- While the scheme will impact - its effect can be managed - individuals and entities should pay the tax appropriate to their earnings
- Be quite happy with a ceiling limitation on refunds of say \$25-30000.
- If there are enormous tax savings to be made by the policy (which may be debatable), then the issue becomes one of allocating money to various Government priorities (schools, health, police, etc). The knee jerk reaction to exempt certain parties (age pensioners, unions, charities etc) seems completely arbitrary and bad policy. It is for this reason that I don't like the proposal not because as a self-funded retiree I'll lose franking credits.
- Retirees who legally arranged their investments, taking account of the franking system, would be disadvantages and many will not have opportunity or expertise to change their investments
- I expect Labor, if elected, will be forced to adjust this policy by the Senate. That's about

our last hope and how my family will be voting. We need to know how senators feel about this policy, especially the cross benches.

- Our franking credit paid nicely for our health insurance!
- Change to franking credit policy is not the only tax situation they intend to alter. As a retiree we'll have our income reduced considerably. Let's hope they lose!!!
- income stream needs to be taxed regardless of the source. Previous arrangements of 15% tax in and 15% out might have worked better than current 30% in and 0% tax out of superannuation.
- Labour is unlikely to realise the tax grab due to people making changes and the use of 2014/2015 data which was before the \$1.6ml cap. Seems to me to be another tax fiasco similar to the mining tax
- the problem with a socialist govt. is they eventually run out of other people's money. (apologies to Marg. Thatcher). Super is a lovely locked in easy target & has been for both major parties for eons.
- Grossly discriminatory since Government pensioners will still receive franking credits. Labor seeks to punish prudent retirees and reward the "leaners". Not just SMSF's affected rather all private investors.
- All political parties should encourage measures for self-funding of retirement (wholly or partially) rather than policies that entrench 'have' and 'have-not' class stereotypes in the hope of winning votes.
- I'm 54 & my retired wife is nearly 57. For personal reasons I need to largely retire at 55 i.e. not a straight age issue. I am not a high wealth individual.
- We are in the fortunate position of having super in excess of \$1.6m so can utilise the franking credits against tax on the rest of our fund, so we are neutral to Labor's proposal. But it makes me angry that other less fortunate retirees will be hurt by Labor's ridiculous stance on this issue.
- I support the idea behind the policy, but don't think it should discriminate between people based on how they hold their shares (e.g., industry fund vs SMSF). I don't see the franking credit as shareholder's money, I see it as credit for company tax paid, with the objective of preventing double taxation. The current system has encouraged too many people to put too much of their money into fully franked shares.
- The negative impact of a tax on Super pension income could be as great or greater than the franking credit impost. Some retirees may have no franked Australian shares in their SMSF but generate income in

other ways, e.g., rental income (commercial or residential), bonds, term deposits etc. Those with franked shares could then use their franking credits to reduce or eliminate the tax with any excess franking credits being refunded. Super is a long term (life ideally) project and people arrange their super investments accordingly. A lot of government meddling with Super is revenue raising NOT to improve the financial life of retirees. If changes are designed to raise revenue, the impact will not be constant across all retirees and lower pension income retirees may be severely impacted.

- The changes proposed should be on an individual basis rather than fund basis, which would mean all super members would be treated the same. If one is in an SMSF they should not be disadvantaged as against an industry or retail fund.
- 1. I would like to hear more debate about principles than outcomes. IF we accept the principle that distributed profits should be taxed at the recipient's marginal rate then the ALP proposal is flawed.  
2. With a growing share of company profits being paid as franked dividends to individuals or funds with tax rates of 15% or nil, the effective rate of company tax is declining. IF the principle is that companies should contribute to the overall tax revenue then ""something"" needs to be done (but not this way).
- This is just a vicious, mean attack on people who have tried hard to NOT need the old age pension in their later years. Labor should be horsewhipped (at the Polls) for attacking ,frugal ,decent, retired people in this manner .
- Keep up excellent articles on this issue as few voters understand this matter and its full ramifications. An unintentional effect will be a loss of donations to charities from middle - class self-funded retirees.
- Negative gearing should be stopped for more than 1 or 2 properties
- When I retire, I am comfortable drawing income from total returns rather than relying on franking refunds and coupons. I do not own direct shares. I do think that the existing imputation system makes sense, it is unfair to target SMSFs, and that taxing pension income is a more efficient means of addressing inequalities and funding needed social infrastructure.
- I will not be voting for Labor with this policy
- I'm well diversified so Labor's policy won't have a large impact on me personally, but I won't vote for it purely on principal.
- At my age I find the proposal depressing and destroys any remaining faith in government
- There should at least be a level where franking credits are refunded to self-funded retirees eg \$7500. [Some shares with franked dividends could be retained]
- If I work for a company, I have PAYE tax deducted and if I get dividends company tax is taken out of the profit. The former may be refunded but not the latter under ALP proposal
- The Labor party are all about creating classes within our society.
- It is people who don't qualify for a pension but are by no means rich that will suffer the most. And all this in a low interest environment, and when governments say they want as many people as possible to live without needing to rely on the pension. Shocking policy.
- This is a complete pain. I retired last year (age 71) hoping to relax and enjoy. Instead I am caught up in a controversy that could see my husband and I lose \$15,000 a year of income on a share portfolio we've taken 40 odd years to build. It is a disgrace for the ALP to now join Abbott, Hockey and Cormann in screwing retirees. I've always voted Labor, but I can't afford to now!
- My perspective is influenced by my residency. Currently not living in OZ but hope to do so in the future at which time having Franking credits would be advantageous. Perhaps you can ignore my selections due to being a non-resident.
- I agree with eminent economists that in some instances franking credits for SMSFs is a rort.
- We are a four-person smsf with two members under 40 whose earnings will also be negatively impacted by proposed changes.
- What about the other Labour proposal to Tax Discretionary Trust Income at 30%?
- I am a life-long non-Labor voter. Not sure the Libs will get my tick next time around either.
- These are the type of policies that any political party will put in place when they know they are a shoe in at the next election. We need more independents that back their constituents.
- Most people do not understand franking credits.
- The proposed changes are discriminatory in that 2 different individuals with exactly the same amount of assets are treated differently taxation wise depending if they have their super in an industry fund compared to a SMSF !
- I am not yet retired so will wait until the actual outcome is clear
- My investment strategy (80%AU equities) is predicated on better likely long-term returns than other asset classes to fund the next 25

years. The ALP grab is a hit - but I am unsure about alternative 'coping strategies' being aired at the moment

- The proposal is discriminatory.
- Discriminatory tax is repugnant. It is simply grossly unfair. This proposal will raise less tax than forecast and will have some negative consequences.
- Labor's tax proposal can to be considered to be "robust" or to have integrity (and in view of this, I doubt the relevant legislation can be passed through both houses of parliament). There are many options to raise tax - including the wholesale abolition of imputation - which would be fairer and more robust in its integrity than Labor's current unprincipled proposal.
- No way I am voting for Labor at the next election. This is a forerunner of many Labor changes that will damage Australia's economy, living standards and global competitiveness.
- I don't believe the Bowen proposal is primarily aimed at revenue. I suspect it came from the industry funds as a way to crimp the expansion of SMSFs
- Does this policy of discriminately changing the tax laws breach the Constitution?
- I agree there need to be change in these areas, however consideration needs to be taken on how this going to affect individual investors that rely on the franking credit refund as part of their cash flow
- I have stopped all DRPs as I need the cash from dividends to replace what may be lost if Labour wins
- Neither major party is making it look like they want to help people be independent of Centrelink - very annoying for those who are doing the right thing close to retirement.
- I will vote for minor parties to create a hung senate
- It has been disappointing that people lobbying against the change offer no alternate solution. Any experienced lobbyist will tell you your submissions need to be tax neutral for serious consideration rather than 'no change please'.
- The proposal is divisive and spiteful, unworthy of true Labor Party mission.
- Despite being labelled a rort, I am really pleased the House of Reps Economics Committee has been roadshowing and listening to affected voters. It does contrast with Labor's ill-considered approach to policy of: "Here it is , like it or lump it". I also think the fact such a policy can be floated and discussed and (not) debated reflects extremely poorly on our whole political system - what happened to data driven

analysis and honest ethical discourse and considered outcome driven decision making.

- The policy may need some revision but the concept of negative tax being rebated needs to be considered. I should say that I am in an industry fund and am less likely to be affected.
- Have voted Labor all my life but they will not be getting my vote in next election with this unfair policy.
- A franking credit refund to people who already pay no tax I think no other country in the world has. The government of the time if free to change tax rules with a reasonable notice and changeover time. This applies to current employees and companies paying tax or recipient of government social security payments, I can't see why pensioners already paying no tax should be treated differently. If someone doesn't have enough money to live, they can apply for a government pension.
- The ever-changing goal posts of the Superannuation System are demoralising to the working population, particularly young people who have no idea what they are contributing to, or how it will benefit them in 20 - 40 years' time.
- If ALP serious about looking after the 'small' retiree, place a cap on franking credits refunds
- If I can't get a refund of my franking credits, do I still have to declare them as taxable income? Need more information. The labour party have not provided any details, I am not sure they know themselves.
- how many will be forced to give up private health surgery which paid for my 2 weeks in hospital/recovery, without the credits I couldn't go... how many will be forced to drop home insurance holiday/break will be a dream more unemployment
- It looks like here we go again, class warfare, dumb profligate spending policies, and unending Marxist rhetoric for 3 years!
- Sick of governments changing the rules and making peoples retirement outlook more cloudy and uncertain in their attempt to raise more revenue from super and investments we have worked hard for.
- Bowen has a poor track record when it comes to taxes - he simply doesn't get what commerce and business is all about.
- I will shift to an industry fund with a DIY option if the policy is implemented
- In my 65 years this is the cruellest tax ever imposed by any political party that I have ever seen. It is discriminatory against the population that tries to save to be self-reliant. It creates two tiers of taxpayer. Those that have incomes independent of welfare and industry super funds and those

that do not. It is a complete change to a fair system that has been in place for 18 years now.

- If Labor instead proposed only 80% of all franking credits can be used, either to reduce tax or to be refunded, that would at least be equitable. The pensioner exemptions just add to the incentives, from all levels of Government, to retire on a part pension instead of being self-reliant. Having a defined purpose for the super system would highlight this. The family home exemption for the age pension skews behaviour and creates winners and losers.
- Cuffelinks has been very misleading on this important issue. It is not shareholder tax that is paid by companies. As proof, why is it only dividends that attract imputation credits when the profit that is taxed is not the same as dividends paid? Your analysis is deeply flawed.
- I can understand why the ALP sees a need to stop the huge refunds to the very large Superannuation balances. We benefit \$8,000 - \$9,000 in refund in our SMSF which is reinvested to further support our old age. It is called compounding. We each do not have \$1.6m in our accounts and about two thirds of our Accounts are in Pension phase. The Tax-free pension amounts relate to our after tax contributions during our working life. On this basis I am an undecided voter. I believe in the Common Wealth for the common good.
- The proposed policy creates division while returning very little benefit to the budget position. Politicians should consider the balance between societal harmony and budget when initiating such policies.
- cannot trust LABOUR with financial management- pink pads!!
- A very hot topic among our clients
- I certainly won't be voting for Labor. they are stealing our retirement income by stealth. What will the steal next!! They cannot be trusted with money.
- Labour know the policy is unfair & discriminatory & are telling fibs when defending the policy but are so confident of being elected to govern they don't care— we pay a huge price for democracy with a huge proportion of voters either ignorant or not caring being only interested in what the government will give or do for them — otherwise known as Socialism which is not sustainable long term — the voters will get what they deserve
- Have already whinged at local member (Ged Kearney) about impact to testamentary trust recipient (my son) about how many psychology appointments the trust payment cover and how this will be impacted.
- I am thinking this policy will have a impact on all super funds in accumulation mode that don't have high enough concessional contributions taxed at 15% to offset the company profits taxed at 30%
- Totally appalled & disgusted by Labor's attack on self-funded retirees who have saved for their retirement under the existing rules & put their funds into a SMSF so that they are independent of social welfare. The discrimination & attitude of the Labor opposition is a very real worry for the future of Australia. Labor appears to want all citizens to be reliant on welfare and thereby capture votes by promising increased handouts. We all know where that will lead - so many examples in Europe. Wake up Australia!
- Please, please, please keep up the fight against this proposal. I have expressed my concerns to many Labor MPs and will continue to do so, even though I rarely get the courtesy of a reply!
- The ALP leadership is wrong to believe its backroom apparatchiks who consider recipients of cash refunds of franking credits to be "rusted on" supporters of the coalition.
- Franking credits may cause Labor to lose what is widely considered an 'un-losable' election. I'd rather vote for Clive Palmer's party than a party who would consider such a moronic policy.
- Policies should be based on merit and governments should stop looking at taxes as a solution, taking instead of creating
- the perception of double taxation is unacceptable. If the holder cannot benefit directly from the tax paid, then the company should have the option of a tax credit benefiting the holder at a future point in time i.e. CGT Offset or increased dividend with less tax paid for this "class" of shareholder similar to the differences between DRP and DSSP/BSP arrangements
- I am a Financial Planner - and this will negatively impact every single retired client that I have - particularly my mother of 86 years of age. She will lose \$12,000 in income - which is about 20% of her annual income. I have some clients who are on the full Age Pension with \$200/\$300k in an Allocated Pension - and they stand to lose about \$2,000 a year - which is huge amount to them. The removal of the refund of excess franking credits is simply not fair to retirees who have planned their retirement for the last 18 years around this policy, and do not have sufficient wealth to change their investments.
- This is a short sighted, discriminatory and poorly thought out policy. Why not stop

franking credits on the wealthy and "top end of town"; not those who have saved all their lives to not be a burden on the Govt;

- The money won't evaporate. Corporations will find other ways to use it rather than giving it back to investors as cash.
- I support Australian Companies (rather than having to go global) which in turn assists our economy and lifestyle etc. etc. I have structured our finances to give a reasonable financial outcome and in our late 70's we have no real way of making up the 10-15% reduction in our income should the franking credits (which are rightfully ours) be taken from us. We are not wealthy but worked to be comfortable in retirement. Incidentally Mr Bowen our home unit of 2BR,1BathR, and under 100 square metres would not deem seem to fit your "pub test" of a wealthy person.
- I will not be voting Labor. Increase in capital gains tax is further erosion of retirees' ability to self-support!!
- I will take Chris Bowen's advice and vote Labor last
- I'm firmly of the view that the current policy is unsustainable. I also don't buy the argument that the company is just paying tax on behalf of the investor. Most investors around the world know they are entitled to a share of the company's after-tax profits. The corporate tax take is an important government revenue source that shouldn't be subject to the dilution we are seeing with the current policy.
- I will no longer be voting Labor
- Labor is arrogant and has no real concern for the older Australians who have contributed to building Australia
- On balance I believe Labor's franking proposal is beneficial to the Australian population overall. We are simply not paying enough tax to pay for our necessary Gov't services (such as schools and hospitals). SMSF fund members who are concerned about 'losing' franking credits should move to a retail or industry fund that facilitates them receiving full value. Personally, I have found the level of misinformation and selfishness this issue has raised amongst retirees to be very disappointing.
- From what I have seen of Chris Bowen on TV he either does not understand the franking credit system or is deliberately misleading the public in his "taking money away from schools and hospitals" lies.
- The policy on a standalone basis is discriminatory and divisive. Many low-income earners will be adversely affected.

- undoubtedly the financial engineers will again look to convert income into capital. LIC's out Managed trusts in.
- My situation has not yet been highlighted in the debate - it is just not about retirees, SMSF's and pensioners. I am in the on the cusp of 0% - 19% bracket and this will have a huge effect on my situation!! over \$6000 p.a. I am working to adjust my income and risk profile to make the most of the franking credits I might lose - so Labor will not be getting any of my money!!
- I would prefer it if Labor announced an annual cap on pension mode SMSF Franking at (say) \$25,000.
- If Labour wins lower house, I do not believe the changes will be approved by the Senate and as Murdoch says, only 3 years of pain!
- I object to rules being changed when one has spent years planning retirement based on the rules of the game.
- The refund of fc's was not the original design of the imputation system. Rather, it dates back to boom times when the govt was looking for ways to spend the rivers of cash. Times have changed and govt's have to prioritise where the revenue is spent. It is not a big ask for those of reasonable means to contribute. Those vehemently opposing the fc proposal aren't nearly so vocal re e.g. raising the level of Newstart.
- I'm a financial adviser, but my clients are retirees. So, my thoughts are what I communicate with them that we are thinking about solutions, but not advocating any action at present
- Parliamentary pensions should be abolished. Why should politicians of all persuasions have a separate superannuation system to the rest of us? They are just a bunch of hypocrites!
- I think Labor can change their proposed policy to make it fair & then will probably succeed with their agenda.
- A very unfair double tax to inflict on a lady in her late 80's who is dependent on tax credits for income. Not on a pension yet but if this comes in, I will be.
- Equity at the margin - If pensioner or not a pensioner is substantial - may as well become a pensioner and receive all the benefits associated with same
- I think there does need to be reform but introduced over a period of time with provision for lower income earners.
- Retirees are receiving too many benefits and are not paying their fair share. I feel sorry for the kids starting out. The only reason the retirees pay very low to no tax is because they represent such a large section on the voting population.

- My Australian Share income will reduce from \$42000 to \$35000 under ALP proposed policy. Why would I vote for a reptile like Shorten?
- Hard to answer until the legislation is passed by both houses, is this really a core promise or just a way of having funds to promise for other services in education, health, welfare, etc
- The vast majority of the people affected are not the "wealthy" that Bowen is targeting. Furthermore, a lot of these people were Labor voters in the 70's and 80's based on the Baby Boomer demographic. They may no longer be Labor voters in their older age now.
- A shameless cash grab, if this policy is typical of the quality of all Labor's policies, then they are not fit to govern.
- Although I will not be too adversely affected, I think the proposed scheme is unfair and will affect the way Australian's invest which may have unseen consequences.
- Self-funded should be just that - use down the capital over time, not cry about being self-funded while demanding government handouts
- My super fund will lose about \$5,000 a year, but I think this is fair.
- This is another plank to the Labor class war along with changing negative gearing & capital gains. Bowen is too dumb to see the full reach of his vote grabbing ideas & Shorten is too economically ignorant to worry. The voters dependent on Govt handouts will see this as a good move as it shows Labor is taking from the rich & giving to the poor (them). Pathetic.
- Labor talks about school and hospitals. What about retirees who have paid taxes all their lives. And are not the aged due some consideration?
- I am 74 and my partner is 75. We are both heavily committed to Aust. Share portfolios. I also have an SMSF with about \$350K in Aust Shares - these will be converted to corporate bonds through FIIG.
- Lay the blame on Peter Costello for introducing a cash refund policy. The Keating Franking Credits policy was politicized by Howard & Costello.
- I am contemplating introducing accumulation members to retain value of franking credits
- I agree with their neg gearing & cgt policies, these are better for our children, and their children
- The whole policy is uninformed and irrational and has unintended broad consequences for a huge number of the population.
- The Labor Party should go back and read Simon Crean's comments on why this was a Labor policy designed to benefit the poor.
- low income earners and pensioners are getting milked again. It's getting unfairer and more impossible to survive by the year.
- None
- As usual, the Labor Party plan is to go after the big end of town which will simply change its arrangements around to beat the tax hit. The middle end of town (me) will cop it the worst as we have limited capacity and resources to make the changes required to avoid an unfair tax take. This policy is completely undermining my superannuation strategy devised some 10 years ago to be a self-funded retiree who did not draw on the public purse. That was the Keating deal put on the table and reaffirmed by subsequent governments of both political persuasions. Until now. My probable strategy, given a likely Labor victory in the coming Federal election, will be to spend down my super balance and become a pension drawing retiree. If a government can't honour long term commitments, then I will step away from my commitment to self-fund my retirement.
- I love the concept that self-funded means receiving refund from government, and the alternative is that they will manipulate assets to get age pension (both require funding from other taxpayers). Sounds more to me about entitlement by the wealthy. Amazing how no-one argued about the retrospective nature of the changes when it was introduced, as it was of positive benefit.
- Potential restructuring of investments to optimise returns but not until there is certainty around the detail which will only be apparent when and if this is legislated
- This and changes to negative gearing will push Australia into recession. Labor / socialist policies cannot cope with realistic economics. They would rather waste \$40b+ on NBN and now want to waste untold amounts (\$110b++ in 2013 terms) on high speed rail connection Brisbane-Sydney-Melbourne. No idea!
- Terrible proposal. Not Tax Reform. An attack on "the forgotten people" of Australia. Especially retired couples with between \$850K and \$1.6M - they do not qualify for any pensions and will be hardest hit by the proposal. They largely have not received a great deal of employer super support and saved for their retirement. The rules are to be changed at the 11th hour for them but not for charities. Unjust!
- Labor has forgotten that it helped create the growing self-funded retiree class. That class are not just a front for the Conservatives like in earlier years.

- We retired at 65 on the basis of existing legislation and our projected income that we estimated would accommodate our lifestyle expectations thereafter. Now we are advised that legislation will change our lifestyle expectations
- I'm tired of silly populist politics
- Governments have a right to raise taxes in ways they consider fair. The concessions for franking mean that the tax burden falls disproportionately in other areas because net corporate tax receipts are low. Arguments on double taxation ignore that most aspects of taxation do not provide relief for upstream taxes. Overall, this whole debate smacks of vested interests.
- Unfair to change rules for those already retired. Why not reduce parliamentary pensions by 30% to fund more social expenditure?
- I am a tax agent and SMSF adviser
- I do not mind a 15% tax on superannuation pensions over say 150000 per year. This seems equitable.
- It's a wicked policy. Shameless tax grab. Unforgiveable
- For every tax break (or headline in the Australian) there is an opportunity cost (counter argument). There is no magic pudding. If Labor plans to spend the funds on health, education and other worthwhile and forward-thinking initiatives then this sits fine with me.
- The argument that you should not receive tax refunds when you don't pay tax is ridiculous - franking credits ARE tax that has been paid by the owner of the company (us). Labor's franking credit policy means SOME retirees pay tax of 30%!
- It is nothing but a retiree tax as part of a socialist Government effort at redistribution of wealth / assets
- I think Labor will change the proposal and put in a cap
- The franking credit rebate from the ATO is an important % of my income. It's absence will inevitably steer me to a partial old age pension.
- Subsidising well off people like me is unfair and fiscally unsustainable.
- It seems to have been created by Peter Costello to shore up the elderly vote
- This impacts on investment strategies for people in their 40s, not just retirees.
- I also hold franking credits in my private company, I am a sole consultant and Labor's proposals undermines 20 years of my retirement planning.
- Let us hope labour do NOT get elected
- This is discrimination against women at its worst. There are more women likely to be affected and they do not have a voice. The hypocrisy of Labor is so evident on the one hand talking female quotas and on the other hand taxing women as they know that they will not answer back. I am appalled.
- Very un-Labor like policy. Hurts the poorer in the community.
- The eligibility of a cash back should apply to the TBC 1.6m and penalise those members over 1.6m
- The proposal attacks one particular group rather than making the tax system equitable.
- The public don't understand this enough to have it influence their voting decision. Bowen is an idiot.
- The absence of a more holistic discourse about broader, fundamental tax reform, from both major political parties, is entirely lamentable.
- Please refer to this article in the SMH 06/02/19 which shows the clear example of tax withheld for person A and person B - BOTH have paid tax (tax withheld) and BOTH are entitled to a refund of tax
- This is the area where this proposed policy change is misunderstood and is being exploited  
<https://www.smh.com.au/business/consumer-affairs/labor-is-exploiting-misunderstandings-about-franking-credits-20190206-p50w0p.html>
- We don't refund franking credits in NZ, however we also have a non means tested super.
- Given the complete tomfoolery of the LNP in the current term, I, a lifetime LNP voter, was going to vote Labor this time because I believe it's for the best interests of the country for a single party to have a meaningful win and be able to do stuff. This, however, stops me cold. Not because it affects me - it won't much - but because it shows the deep interest Labor has in a client state and their desire to take money from whoever they think they can. I don't want to say "thin end of the wedge" but I just have.
- Franking credits are a relic from a tax system with higher rates. Better to abolish them completely in exchange for a lower company tax rate
- very cynical political policy
- Will Labor burn or bury Bowen?