



PARLIAMENT of AUSTRALIA

MEDIA RELEASE

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

Chair: Mr Tim Wilson MP

Public hearing: Implications of removing refundable franking credits

Issued: 28 November 2018

Dee Why hearing for inquiry into the implications of removing refundable franking credits

The House of Representatives Standing Committee on Economics will hold a public hearing in Dee Why on Friday 30 November 2018 as part of its inquiry into the implications of removing refundable franking credits.

The Chair of the committee, Mr Tim Wilson MP, said 'the committee is examining how removing refundable franking credits would affect investors, particularly senior Australians who have planned for their retirement under the existing rules.'

Mr Wilson said 'during last week's hearings in Sydney and Melbourne, many retirees shared their concerns that they stand to lose up to a third of their income and may be forced onto the Age Pension if the ability to claim a refund on their franking credits is removed.'

Wilson Asset Management, who will appear at Dee Why, said in its submission 'the current system ensures that individuals who are subject to a tax rate below the 30 per cent company tax rate are compensated for the tax that has been paid at a higher rate.'

Wilson Asset Management argue that the proposal to remove refundable franking credits is 'regressive', since 'high-income earners would still receive credits to offset their tax liabilities, with low-income earners paying the price.'

By contrast, the Australian Council for Social Services (ACOSS) submitted that 'those most adversely affected by the removal of refundable imputation credits would for the most part be relatively wealthy people with substantial income from self-managed superannuation funds, who pay little or no income tax.'

ACOSS recommend that if such a policy is implemented, investors with low income from dividends could be protected by simply allowing 'the refunding of imputation credits up to a modest annual limit.'

Mr Wilson said, 'the final hour of the public hearing will provide the opportunity for members of the public to make short statements to the committee about how the removal of refundable franking credits would affect their retirement savings and whether it would increase reliance on the Age Pension'.

Public hearing details:

DEE WHY

Date: Friday, 30 November 2018

Time: 9.30am to 1.30pm

Venue: Dee Why RSL Club, Oaks Room 2, 932 Pittwater Road, Dee Why, New South Wales

Further public hearings will be announced as the inquiry progresses. Program information will be available closer to the event on the [inquiry webpage](#). The hearings will be webcast [live](#) (audio only).

A number of submissions have been received and are available on the committee's webpage at: www.aph.gov.au/economics. Submissions can be made online or by emailing economics.reps@aph.gov.au.

Media enquiries: Mr Tim Wilson MP—**Electorate:** 03 9557 4644; **Parliament:** 02 6277 2392

For background information: House of Representatives Standing Committee on Economics

Phone: 02 6277 4587; Email: economics.reps@aph.gov.au; Website: www.aph.gov.au/economics