

as the legal proceedings commenced against them can be made effective. Others of the corporations named are perhaps entirely defunct, and have no assets out of which the State taxes can now be made.

A number of incorporated institutions are shown by Table No. 20, the exact amount of whose indebtedness to the State cannot be properly arrived at, until a further adjustment of the accounts can be made.

TAXES ON GROSS RECEIPTS OF RAIL ROAD CORPORATIONS.

I doubt if any tax law was ever passed by the Legislature of Maryland, which received more decided and unanimous approval by the people of the State, than the Act taxing the gross receipts of Rail Road Companies for State purposes. Nearly all these companies have received the fostering care of the State in their inception, and the people have borne taxation for their benefit for a long series of years. Some of them have now grown to be institutions of immense wealth and power, and have hitherto resisted the efforts made by the Legislature, to collect the taxes due from them. I have no question, however, that the power of the State will prove to be affective for that purpose. Suits have been brought to test its efficiency, and although they have been, (as all legal proceedings are,) liable to delays, steps have been taken to procure a speedy trial, and one of the cases I learn from the counsel, is set down for trial within the present month. I have not thought it necessary to bring suits in every case, as I am informed by the officers of a large number of the companies, that they will settle their taxes without further trouble, as soon as the efficiency of the Act is established by the decision of the test cases, which have been made.

Under such circumstances, I have not thought it my duty to multiply suits, but have trusted to the assurances of the officers, in the good faith of which I have full confidence. In view of recent decisions of the Supreme Court of the United States, admitting for the sake of argument that under the bill of rights of this State, the Legislature could exempt from taxation the stock of Railroad Companies in their infancy, I can hardly imagine,