

and to obey the laws in that regard. This tax although small now under the pressure of depressed commerce, and the deranged condition of the business of the country, will yield a handsome revenue; whenever wise, patriotic and practical counsels in our national affairs, shall have restored prosperity to the country, opened the channels of trade, and rendered the internal commerce of the States, brisk and remunerative. If, however, the Court of Appeals shall, as is expected, decide that notwithstanding the exemption granted to the stock holders, *the corporation* must pay the taxes imposed upon it by law, and this decision is acquiesced in without further contest, the way may be plain to a satisfactory adjustment of all the questions which have formerly been at issue between the State and the Company.

The Baltimore and Potomac Railroad Company, the Eastern Shore Railroad Company and other companies mentioned in Table No. 5 have paid the taxes on their gross receipts for the several years they have been due. Suits have been ordered against other railroad companies now in arrears, to recover the taxes due from them.

DEFICIENCY IN THE REVENUE.

The deficiency which must accrue to the Treasury during the current year, unless remedied in some way, will embarrass all the financial operations of the State. The loss to the treasury from the failure of accustomed receipts, amounts at this time, to upwards of \$260,000. Should this amount of revenue be at once realized from the payment of any of the large amounts due the State, and a certainty of the payment during the current year of any amount equal to the usual dividend heretofore made on the stock of the State in the Washington Branch road, and the amount due for the year from the Susquehanna and Tide Water Canal Companies, no increase of the rate of taxation will be necessary, unless larger appropriations should be made by the Legislature, than have been estimated for. Should no such receipts be realized, however, provision will have to be made at once to supply the deficiency caused by these failures, and new taxes must be imposed to supply the place of the revenue formerly received from these sources.