

so advised by me. While the question of "good roads" appeals to every intelligent citizen, and wisely so, yet the means to provide for their construction is the vital one for your consideration. The State cannot meet this appropriation now with its present revenues and obligations. Therefore, it is for your Honorable body to provide other sources of revenues or materially reduce the present level of expenditures.

In my judgment, it would be unwise to levy a direct tax, which means at least an addition of 3 cents to the present 23½ cents. Unwise, because the present State tax is now too high, and for the further reason it would be manifestly unfair to Baltimore City. While the said City enjoys the benefit of the very large appropriations to the various institutions within and near its borders, yet its people have contributed of their substance, and willingly so, far more towards maintaining the Public Schools than they have received, and to call upon them now to contribute more than half of the expenses in building highways throughout the counties of the State, while they receive nothing in return for their own streets would, in my judgment, be manifestly unfair. Therefore, to make this Act effective, you must either provide other sources of revenue, by direct or indirect taxation, or reduce expenditures.

CONCLUSION.

If, in your judgment, you deem it wise that the State tax rate should be changed, permit me to respectfully offer this suggestion:

Under the new Charter of Baltimore City, the tax levy is made up and imposed in the month of December for the year succeeding, while a large percentage of the taxes is paid in the January following. Inasmuch as the State taxes are levied and collected at the same time, it therefore becomes manifest that the City authorities might levy a tax the rate of which the next Legislature might change. This condition did occur in December, 1903, the City levying at that time and collecting in January the State Tax of 17 cents for the year 1904, while the Legislature in March passed a different tax rate—22½ cents.