

the additional tax upon his stock of goods. Some companies, electric light, trust, etc., pay in addition to their other taxes a franchise tax as well. Take for instance a dredger owning his boat of 50 tons with an invested capital, say, of \$3,500. He pays, if living in a city, in addition to the State, city and county tax upon his invested capital of only \$3,500 for the privilege of catching oysters less than six months in the year, within \$7.50 as much as the merchant for twelve months with a capital of \$500,000 or more.

There is only one question involved in the above measure: Does the above schedule make everyone operating thereunder bear his fair share of governmental expenses?

#### STATE TAX ON BALTIMORE CITY STOCK.

The State tax on these securities yielded a revenue during the fiscal year of \$96,733.45, applicable to the public schools, sinking funds and road maintenance. An estimate has been submitted whereby Baltimore City will have to pay into the State Treasury during the next fiscal year the sum of \$110,683.45 from the same source. It therefore follows that as the debt of the city increases so will this tax, since the city itself is compelled to pay this tax, deducting the same, of course, from the holders of said stock. This provision is applicable to no other city or county in the State and it does occur to me that common justice requires that all should be placed upon the same basis—tax all or exempt all.

#### CONCLUSION.

Let me urge upon you the strictest economy. The condition of the Treasury, as it has been my endeavor to show, will not stand any further strain, and I view with alarm the demands that are now being agitated for increased appropriations and bond issues. We are going through a period of contraction and not expansion. Our tax rate is now so high as to be burdensome, and any additional increase should be most seriously considered, if considered at all.

I cannot close this report without again calling attention to the fact that unless additional revenues are derived from