

Either course will subject the treasury to a further yearly charge of about \$34,000—and the only difference it will make is, that upon the terms of the resolution, the State's capital debt will be augmented by the sum of the deposits—if the revenue from bank stock be substituted for the interest of the deposits, so much of the State's productive capital will, in stead, be relinquished for all other purposes.

I should prefer the substitution of the revenue from bank stock to selling the stock, because then, in exact accordance with the provisions of law, the stock would be, and appear as it should, to be the right of the State, while its income would be devoted to the service of schools, and there would be no inducement to sell it to defray the current expenses,—Secondly, because, as invested capital, the stock is very satisfactorily productive, but cannot now be converted into cash, without gross sacrifice if at all,—And lastly, because it will avoid the augmentation for this occasion of the capital debt of the State—already alarming and depressive of its credit, for want of adequate revenue to sustain it.

These charges then, extended as they must be, to 1st January, next, inclusive, and the wants of the Penitentiary, will nearly if not entirely exhaust the said deposits; and it becomes me, therefore, to earnestly invite your attention to the probable wants of the treasury for the year 1841—there being no known resource for these, which can be brought to its aid in time, if not provided by the present General Assembly.

The failure of the ability, first of the Baltimore and Susquehanna Rail Road Company, and now of the Chesapeake and Ohio Canal Company, to comply with their engagements to the State, has brought upon its treasury an annual charge of \$505,100.—(See the statement prepared on the envelope of Mr. Thomas' letter.) And additional revenue to that amount yearly, is indispensable to its fulfilling the obligations of the State incurred for their works.

The use of the special deposits, to defray this charge partially in the two last years and wholly for the current year, will add to it about \$34,000, and make it upwards of \$539,000 a year.

To prevent so onerous a burthen upon the people of the State, from being fastened upon them permanently, and as the best course I can suggest, to render it as temporary as possible, I cannot forbear to recommend an accelerated prosecution of the canal to a profitable terminus, by any and every means the wisdom of the General Assembly can devise.

Since taxation has been postponed as long as safely it might be, and is now at last inevitable without indelible dishonor (to which, in the view of the people of Maryland, any sacrifice will be preferable) I humbly submit that, the amount to be raised, be at once augmented by the interest on the sum required for its completion—as the surest course to sustain and elevate the public credit, and so make it, efficacious.