

live, they will be burdened with a double tax, and perhaps, have their capital driven out of this State. And he believed that, in carrying out this policy, it would be found in the end, that Maryland had lost more than she had gained. We are surrounded by other States. Property is held within our limits by citizens of the adjoining States of Delaware, Pennsylvania and Virginia; and if we tax the property in this State belonging to the citizens of either of those States they will also be taxed at home, and thus have to pay a double tax, or else remove out of this State, which is likely to be one result or another, that he would cease to be a holder of property in our State.

Suppose a citizen of Boston comes into Baltimore to reside, and carry on trade with a part of his capital, you tax not only all he owns in Baltimore, but all the property he has elsewhere—even though this property is elsewhere taxed—subjecting him to double tax, because you declare that your citizens shall pay a tax on all the property they possess throughout the world.

The effect of this would be to drive all such citizens out of this State, and to prevent others from coming in to settle among us. I have personal knowledge of one such case where a citizen of Georgia was prevented from settling in Baltimore, because his property consisting of debts in Georgia, for property he had sold there, would be taxed. He went to Georgetown, and there settled to avoid this tax.

He was perfectly contented with the bill of rights as it stood. As it stood it was just; now in its changed form, it would be unjust. What reduction would be made from the revenue of the State by this measure, he knew not. But he would say that if the other States of the Union should carry out this principle, and there is no reason to expect that they will not—it is but just to themselves that they should—it will be followed by inconveniences to us, which will more than counterbalance any good which can possibly result from it; and we shall actually lose in a pecuniary point of view, more than we gain by it. He had now discharged his duty in bringing the subject before the Convention, and he left it with this body to act as it may deem best.

Mr. DONALDSON expressed his regret at being compelled to disagree with his colleague, (Mr. Randall,) for whose clearness of judgment and uniformly conscientious motives, he entertained the highest esteem. It was from the strength of his honest convictions, that his colleague had spoken with such warmth of what he considered the injustice of the existing system of laws, by which stocks held by citizens of this State, in the public loans of other States, and in the institutions of other States, were subject to taxation. As an act of justice, he, (Mr. Randall,) demanded the exemption of such property. He, (Mr. D.,) considered that both policy and justice were against such an exemption. If he thought there was a departure from justice, he would not argue in favor of the policy of a measure, but where both stood on the same side, they might well forfeit each other.

What is the injustice complained of by the

mover of the amendment? A citizen of this State, residing here, owning stocks in other States, has to pay a tax according to his actual worth, including those foreign stocks. Compare him now with his neighbor, all whose property is invested within the limits of Maryland. Both have the same protection from the laws—both have the same advantage in their business, from those great works of internal improvement, the construction of which has produced almost all our taxation. One pays for that protection, and those advantages in proportion to his property, and the others does not.

But, it is said, the present system leads to double taxation. A man may be taxed on the same property in two States. This does not follow. In many States there is no direct taxation; in others it is very small. Very few of them tax stocks held by non-residents. A citizen of Maryland, holding a million dollars of the State stock of Virginia, pays not a cent of tax in Virginia, and if this proposition to exempt should prevail, he would pay not a cent on that stock here. Besides, it must be remembered, that all this is voluntary. No man is obliged to invest in these foreign stocks; and if he becomes liable to double taxation, he can easily change his investment, and purchase stocks, or other property, here. Then he would be on a perfect equality with his neighbors. If there is any injustice, he need not suffer it for an hour. If he retains it, it is because he finds it more profitable, in spite of its liability to our taxation, than the investment of his neighbors at home, liable to the same taxation.

Real estate beyond our limits, has never been considered as liable to our taxation, because it has a locality, whereas stocks, being personal property, are considered in law as following the person.

So much in answer to the charge of injustice made against the present system. Now, let us look at the other side of the question. What would be the consequence of the exemption from taxation of stocks, in other States, held by citizens of our own. Almost all the surplus wealth of this State, would be withdrawn from taxation, both for State and county purposes, and invested in the stocks of States, where there is no taxation, or but little. This would be done, as a matter of course, by those possessing the greatest wealth. Such are the men who try every device to escape their proper share of the burdens of the State. It is a trait of human nature, not to be denied, although noble exceptions exist, that wealth generates this kind of selfishness. There is no estimating how much might, in this manner, be lost to the State and counties. The abstraction of ten millions of capital, from the city of Baltimore, for instance, would make to State and city, together an annual loss in taxes, of upwards of one hundred thousand dollars. Necessarily, those who did not so remove their capital, and the property holders who had no surplus capital to invest, would have to pay a higher rate of taxation, to make up for the deficiency thus caused. Could anything be more manifestly unjust?