

The State debt created previous to the year 1868, now outstanding, and for which no tax provision is made, is \$5,684,505.93—the State debt issued since, and including the year 1868, now outstanding, for which debt-taxes are provided, is \$5,573,054.76. The constitutional guarantee for the payment of this debt of \$11,257,560.69 is, that the State's investments in Internal Improvement Companies, and the State tax levied to pay off the public debt shall not be used or appropriated until the interest and debt are fully paid, or the sinking fund shall be equal to the amount of the outstanding debt. (See sec. 34, Art. 3 ) This constitutional guarantee is equally complied with, if the guarantee given, when used, is applied to the payment of the interest and principal of the debt, or to either, whether the debt paid is canceled and destroyed, or put and kept into the "Sinking Fund." At least such was the view taken by the Governor and the Legislature in 1864 and 1872, and acquiesced in, with perfect unanimity, until now fault is found with the obliteration of the sinking fund, and the inquiry is gravely—no, not gravely, but loosely made—what has become of the loan-taxes?

The answer is, or rather the answers are to be found in the following statement, which I have carefully compiled from the Comptroller's books :

Amt. of State debt, Sept. 30th, 18 <sup>68</sup> .....	\$11,712,190 45
Amt. of State Loans issued since Sept. 30th, 1868.....	3,572,532 00
Amt. of interest paid on the public debt since Sept. 30th, 1868.....	9,027,635 24
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	\$24,312,357 69
Amt. of State debt Sept. 30th, 1881.....	\$11,257,560 69
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Amt. paid on account of public debt since Sept. 30th, 1868.....	\$13,054,797 00
Amt. of State securities used and applied to the payment of the public debt since Sept. 30th, 1868.....	1,579,935 30
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	\$11,474,861 70