

\$448,813.43, while under the increased cost of said licenses from \$250 to \$500, by an Act of the last Legislature, Chapter 196, the State received \$1,003,784.59, paying back into the City Treasury the sum of \$753,237.14, leaving net to the State \$250,547.45, as against \$149,138.34 for the year previous, or an increase of \$100,000. Under the provisions of the new Act of Assembly, the cost of these licenses for the license year 1909, will be \$750.00, which should further augment the Treasuries of both State and City, and so long as said statute remains will furnish a reliable revenue to each.

A shrinkage of \$130,000 is shown in receipts from Collectors, but is readily accounted for by a reduction of the State tax rate, as the receipts into the Treasury during the fiscal year 1907 were largely from arrearages for year 1906, when the rate was 23½ cents, as against 16 cents for the two years following.

The last Legislature passed a law, Chapter 695, which will necessarily increase the receipts into the Treasury, although its effects have not been felt so far. This Act increases the tax upon Collateral Inheritances from 2½ per centum to 5 per centum, but under an opinion given by Attorney-General Isaac Lobe Straus, its provisions become effective only upon estates of persons who have died since the passage of the Act. We may, therefore, reasonably expect an increased revenue from this source of \$100,000 per annum, which, together with the increase from High Liquor Licenses, should yield to the State an increase of one quarter million dollars or more, as the result of the legislation of 1908.

DISBURSEMENTS.

While the receipts have shown normal conditions with a steady increase, yet the disbursements have increased out of proportion to such revenues. The total expenses of the State, exclusive of the Fund's accounts, were \$4,639,483.91 for the year 1908, while the year 1907 showed \$4,139,863.02, or a difference of \$500,000 in round figures. In statement "B" you will find an itemized account of the disbursements, together with the Acts of Assembly authorizing the same, which state-