

There must be eliminated, however, from the above statement the increase of \$540,780, since this sum is represented by the proceeds of the sale of bonds for State roads and cannot be used by the State for current expenses, but is specifically dedicated for the construction of State roads.

The increase of \$275,972.09 from High Liquor Licenses from Baltimore City is also worthy of explanation, inasmuch as three-fourths of this sum is returned to Baltimore City, leaving a net increase to the State of only \$68,993.02. Chapter 196 of the Acts of the General Assembly of 1908; known as the High Liquor License Law of Baltimore City, has now been in operation two years, a sufficient time in which to judge of its efficiency as a revenue measure. By the provisions of said Act the cost of such licenses was raised from \$250 to \$500 for the year 1908, and to \$750 for the year 1909, and I beg to submit herewith the following statement:

Year.	Receipts.	Paid to City.	Net to State.
1907.....	\$ 597,951.77	\$448,813.43	\$149,138.34
1908.....	1,003,784.59	753,237.14	250,547.45
1909.....	1,279,756.68	960,192.26	319,564.42

The increase of \$146,210.85 from the Tax on Collateral Inheritances is largely due to the increased tax from 2½ per centum to 5 per centum, Chapter 695 of 1908, and while this revenue must depend upon the value of estates descending collaterally, it necessarily increases this revenue 100 per centum over the old law.

Therefore, eliminating all the revenue received from dedicated funds, as well as the balance brought down from the preceding year, the following statement will show you the revenues of the State applicable to the ordinary running expenses thereof, viz:

Total receipts for the year.....	\$5,400,104.69
Less direct tax from Collectors.....	\$1,255,359.89
Less direct tax from Incorporated Institutions.....	107,592.59
Less direct tax from Baltimore City stock.....	42,982.25
Less State Roads Bonds, sold.....	640,830.00
Less High Liquor Licenses, Baltimore City.....	960,192.26
Less receipts of Oyster Fund.....	61,628.61
Less State Tobacco Inspections.....	4,279.49
	3,072,865.09
Total.....	\$2,327,239.60