

It also agreed to pay, in perpetuity, out of the gross receipts of the Washington Branch Road, in each and every year after January 1st, 1872, the annual sum of twenty-five thousand dollars.

Although of the opinion that the details of this proposed settlement should be included in one bill, it expressed its willingness that these propositions should be embodied in resolutions reported by the Joint Committee—being satisfied, if the resolutions passed by a sufficient majority to show that the Senate and House would give effect to them by proper legislation, to pay into the Treasury the principal sum claimed to January 1st, 1870, with interest due thereon. It was content to rely upon the justice of the General Assembly, for the liquidation of its counter-claims against the State.

The sum of twenty-five thousand dollars a year was suggested as a reasonable and ample equivalent, because it is more than the State could claim by way of taxation, if the entire common stock and preferred stock of the main stem, and the entire stock of the Washington Branch Road, excepting only the stock belonging to the State of Maryland, and to the City of Baltimore, were subjected to State taxation.

A State tax at nineteen cents on the hundred dollars upon the entire stock of the Main Stem and Washington Branch, with the exception already noted, would amount to the annual sum of \$24,838.78.

If the State tax be reduced by the amount of the direct tax, viz: Three cents upon one hundred dollars, this reduction would be equal to \$3,921.91, so that, in that event, the sum of \$25,000 per year would thus exceed the whole amount of tax on the stock of the Main Stem and Washington Branch, as stated by the sum of \$4,083.13.

Statement of stock of the Baltimore and Ohio Railroad Company, Main Stem and Washington Branch:

Common Stock.....	\$13,143,100 00
Preferred Stock.....	3,529,800 00
Washington Branch.....	1,650,000 00

Total Stock Main Stem and Wash. Branch....	18,322,900 00
Deduct State Preferred.....	1,450,000 00
State Washington Branch.....	550,000 00
City of Baltimore	3,250,000 00
	<u>\$5,250,000 00</u>

Balance stock, other than that owned by

State and city.....	13,072,900 00
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