

it punctually, the Act of 1862, Chapter 143, was passed, which authorized the Governor, Comptroller and Treasurer to unite in inviting proposals for a loan to an amount not exceeding two and a half millions of dollars—one half of which was reserved for investment of the increments of the Sinking Fund, and the residue, or as much as might be required, was to be offered for subscription outside the Treasury.

Although that Department exhibited early in the Summer of 1862, such indications of an improved condition as to warrant the belief that but a small portion, if any of the authorized Loan would be required, yet the importance of providing for the prompt payment of that Tax at the appointed time to save the proposed discount, induced the officers above mentioned, to advertise for a small portion of it. Stock therefore to the amount of \$170,000, known as the "Maryland Defence Loan" was issued, which being all disposed of at a premium realized to the Treasury the sum of \$173,587.75.

This Stock as directed by the Act authorizing it, was redeemable at the pleasure of the State, and in a few months after its issue it became manifest that the Treasury from its own resources, and without even the use of the increments of the Sinking Fund, would be able to meet the payment of the National Tax, and that no Loans for such purpose, were necessary, and such as had been negotiated might be safely repaid.

Although the stock was upon its face redeemable at the pleasure of the State, it was a question whether, without some Legislative Act expressive of that pleasure, the State Officers, who had negotiated the Loan, had the right, and without the consent of the holder, to redeem it by payment of the amount due upon its face with the interest accrued. Rather than pay interest until the next Session of the Legislature upon a sum not required by the Treasury, I concurred in the propriety of that Department offering to pay back to the holders of the Loan, the amount of premium which they had paid on it, which proposal they accepted, and the whole amount of that stock was consequently redeemed on these terms, costing the State only the interest thereon for the few months of its existence. The nett amount of the National Tax therefore due from the State for 1862, and which was \$371,299.83, was paid into the Treasury of the United States before the 30th of June of that year, and without making any addition whatever to the debt of the State.

The Total Receipts of the Treasury for the year ending

30th of September 1861, were	\$ 960,813.08
30th of September 1862, were	1,823,563.87
30th of September 1863, were	1,870,105.72