

curities are subject only to the approval of these county and city officers. There is, therefore, a manifest want of that privity which should exist between such Collectors and the State, and of the control which the Treasury Department should possess over such officers of the revenue. Whilst the County Commissioners and the Tax Court of the city should still be required to levy upon their respective communities the necessary compensation for such Collectors, that compensation should be in the shape of commissions upon the amount collected, and the rate of it should be fixed by the State law.

The local authorities should still be required to furnish, as they now do, the necessary lists of property and tax payers to the Collectors; but these Collectors should be appointed by the officers of the Treasury Department, and their bonds made subject to their approval. I submit these suggestions for your consideration as an outline of the modifications which the present system seems to require; modifications which, in themselves, I believe to be just and appropriate, and better calculated than any other that occur to me, to obviate the evil of the particular proceeding to which the Comptroller has called attention, and avoid all conflict between the State and Municipal authorities.

#### REPEAL OR MODIFICATION OF DIRECT TAX LAW.

The prosperous condition of the Treasury as exhibited by its balance on hand and estimate of future receipts, considered in connection with the suggestions made for cancelling part of the State debt held by the Sinking Fund, naturally awakens the hope that the time is at length at hand when all direct taxation may be dispensed with. Under ordinary circumstances, I should certainly take that view of the subject and would not hesitate to recommend the immediate and total repeal of the Direct Tax Laws; but with such a war as we have now on hand and with such demands as must be still made upon the men and money of the country to render certain its preservation, with the unqualified determination of the loyal masses of the State to meet to the utmost their full share of such demands, we should observe a proper caution in the too sudden curtailment of our present resources, and be willing to endure for a while longer, the burden of taxation rather than jeopardize results we have so much at heart, or fall short of our just contributions towards them. I am satisfied however, that with an economical use of the means we can now command and by sedulously avoiding those unessential or experimental appropriations into which a Treasury balance is so apt to tempt us, we may without hazarding the prompt payment of any of our ordinary obligations or failing