

Plato and Matches?" This law has I believe been enforced in no part of the State, and it cannot be carried properly into effect without an assignment in the shape of the "income tax" (if you should authorize their appointments) can also make the required assignment of those articles, and the two laws when fully enforced will yield a revenue of \$20,000.

The act of March Session, 1841, Chap. 23, "for the assignment and valuation of the property of the State and to lay a direct tax," will also require revision.

The assignment of the property of the State made under its provisions in 1841, which amounted to the sum of \$196,763,847 $\frac{2}{100}$ has been subsequently reduced by the action of the appeal tax courts to \$177,139,646 $\frac{2}{100}$ although the wealth of the State has within that period greatly increased. It is a question of grave importance which will demand your early consideration, whether a new assignment of the property of the State would not greatly augment the public revenue and at the same time render more equal the burdens of taxation. Any assignment which may be authorized (being for State purposes) should in my judgment be made under the supervision and appointment of the State authorities, as the only means by which the great desideratum - equality of taxation - can be attained.

By this act the stock of the State held by domestic holders is taxed, and that portion held by non-resident holders is exempt from taxation.

An investigation of the subject convinced me that the greater portion of the stock designed to be taxed by this law had escaped taxation.

The attention of the Commissioner of Loans had not been drawn to the third section of the act of 1841 Chap. 23, by which "he is directed to retain out of the interest accruing on the State Stock the tax due on said stock," and this tax upon the stock of the State was paid but in comparatively few instances or great difficulty) as will be apparent to the Legislature by an examination of this section of the act of 1841, existed in discriminating the domestic from the foreign stock, and consequently ascertaining which was liable, and which was exempt from taxation. By the act of 1844, Chap. 172, the stock or debt of the State held by non-residents was also subjected to taxation, and the treasurer was directed "to retain the tax out of the interest falling due on the first of July in each year, and to authorize the Commissioner of Loans to draw only for the balance of interest after deducting the tax," and I will be perceived that this law did not diminish the difficulty which existed in discriminating the domestic from the foreign stock. It was manifest that both the domestic and non-resident holder were taxed - the tax of the former to be retained by the Commissioner of Loans, and the tax of the latter to be retained by the treasurer. As the interest of July 1845, from which the latter tax was to be deducted, has not been paid, the treasurer has not as yet encountered the difficulty which has been suggested, but, as under another law, the coupons and certificates of interest including those due on the 1st of July 1845, were to be received by the Commissioner of Loans in payment of taxes, that officer has been obliged to meet the difficulties engendered by both laws.