

less than sixty thousand dollars, on account of expenses of the General Assembly; besides the incidental expenditures which usually attend the legislation of each session. On the 1st. of December, 1857, the Sinking Fund amounted to \$2,253,796.67. On the 1st. of December last, it amounted to \$2,738,075.41 as a matter of account. From which it will be seen, that the Sinking Fund was increased, in the last year, by the sum of \$484,278.74; of which \$131,190.32 accrued from its own interest. An additional sum of \$42,227.44 will, however, be shortly paid to its use, upon account of redemption of stock called in; which will swell the aggregate to \$2,770,302.85.

Such, Gentlemen, are the highly gratifying results of the fiscal operations of the year just closed.

I was anxious to obtain, if possible, the returns of the Assessors of the Direct Tax, in order that I might present to you a complete statement of the future financial resources of the State. I accordingly addressed a circular letter to the Clerks of the Circuit Courts for the several Counties, and to the Judges of the Appeal Tax Court of Baltimore City, requesting them to furnish me such information as they could obtain. I find, from their replies, that it would be impossible to estimate, with any degree of accuracy, the probable increase of the new assessment over the last. I am inclined to believe, however, that it will exceed fifty millions, and that it cannot fall short of forty millions of dollars. The latter amount would yield, at the present rate of the direct tax, an addition to the annual revenues of one hundred thousand dollars. If that amount be added to the surplus revenue of the last year, it will show a clear aggregate surplus of \$643,540.70.

That, Gentlemen, is the broad margin, upon which I shall argue the propriety of reducing the taxes of the People. The Tax-payers of Maryland will, at all events, henceforth fully understand this question; and, I am prepared to yield a cheerful acquiescence in their decision.

The Sinking Fund has been pronounced by some, to be a fallacy. I think that this is not a well-matured opinion. The Commentator upon the laws of England declared, ninety years ago, that the Sinking Fund was the last hope of the British nation, and its only domestic resource for the discharge or moderation of its public debt. His Annotator, many years afterwards, characterized the scheme, as a delusion. But, why? Because, whilst the nation, like an honest man, was paying off its old debt, like an imprudent one, it was still involving itself in new obligations. Is such, however, the condition of things in Maryland? Can it be said that the Sinking Fund of Maryland is a fallacy?