

manifest, this object will not be accomplished. The interest in arrear is, as already stated, \$859,656, and the revenue provided for its payment being only \$622,386, there will be a balance of \$237,270 chargeable on the assessment of 1843. To this we are to add \$600,000, the anticipated deficit in the Treasury for the year 1843, making \$837,270, and from that sum to deduct \$491,877 the revenue to be expected from the direct tax for the same year, and there will be a balance of \$345,393 to be provided for.

As the sinking fund may be looked to by some, as a source of supply to the Treasury, it is proper to state, that of this fund \$1,158,476 is invested in the bonds of the State, and that the balance of \$20,856 alone could be made available.

The general stagnation in business, the depression of prices, and diminution in the amount of the currency, naturally lead us to inquire as to the policy of providing a medium, that would facilitate the payment of the very large amount of taxes to come into the Treasury within the present fiscal year. Neither inconvertible paper, nor an increase of the bank issues are to be thought of. But it may not be considered inexpedient to authorize the tax-collectors to take in payment of the public dues, the coupons of the State bonds, and certificates of the commissioner of loans for interest, which it is proposed to pay out of the revenue to be collected. These evidences of debt are now much below their nominal value. They may be purchased by capitalists at present prices, and as the means for their ultimate payment are provided, the holders hereafter are to make a valuable speculation. If a certain portion of them were made serviceable in the payment of public dues, to be destroyed by the Treasurer upon being received, every tax-payer could become a purchaser; the price of them would be increased by competition in the market, and the burthen of the taxes would be diminished to the extent of the difference, between the sum paid to the holders of claims for interest, and the par value of such claims. In the event of such a policy being adopted, it would be necessary, of course, to classify these claims against the Treasury, so as not to have those receivable in any one year to exceed the amount of revenue payable within the same period.

The expediency of authorizing the Treasurer to use the bank stocks of the State by their transfer to its creditors, to meet the current demands upon the Treasury, is entitled to consideration. Such a measure would effectually separate the State government from the banking corporations, and in dissolving that alliance be productive of much good; and to the amount of the bank stock relieve the people from heavy and burdensome taxation. It does not seem to be sound policy to lay taxes to pay interest while we hold perishable capital that may be rendered, by mismanagement hereafter, entirely unavailable. To guard against unnecessary sacrifice, a minimum price could be fixed upon the stock.

I have no means of ascertaining what revenue may be expected for this year, (none having been received for the last,) under the