

The foregoing report exhibits a state of prosperity in the fiscal condition of the State, surpassing the anticipations of the most sanguine; and highly creditable to the wisdom and firmness of those who originated and consummated the measures which have led to such auspicious results.

The Annual Reports of the last five years show a progressive improvement, in the receipts from Internal Improvement companies, and from those sources of revenue which have been provided to aid in paying the interest on the public debt.

This increased revenue, beside meeting all demands on, and leaving a large balance in the Treasury; has enabled the Treasurer, in pursuance of the authority vested in him by chapter 238 of 1847, to purchase and redeem, in the course of the year, two hundred and sixty thousand one hundred and eighteen dollars and ninety-eight cents of the funded arrears of interest.

The capital of the Sinking Fund is now one million eight hundred and ninety two thousand eight hundred and thirty-seven dollars and sixty one cents.

Those data authorise the inference, (provided the present revenue system be undisturbed, and no additional burthens be imposed upon the Treasury;) that the means which have been provided to relieve the State from her financial embarrassments, and place her in the elevated position she ever before occupied among her sister States, will be adequate, not only to accomplish these paramount objects; but also, in about fifteen years, to extinguish the entire public debt.

That accomplished, the ordinary revenue, with that derived from her Internal Improvements, will be sufficient to defray all the ordinary expenses of the Government, and will leave a handsome surplus to be applied to the purposes of Education or such other objects of general interest as may be deemed worthy of State patronage.

D. CLAUDE, Treasurer, Md.

*Treasury, Annapolis, 1st Dec., 1849.*