

And now let us look at the matter in a practical and pecuniary point of view, as it affects the tax paying portion of the community; the committee think that a cool and dispassionate examination of the subject in this aspect will show, that the best interests of the people on pecuniary considerations alone will be promoted by that financial policy, which looks to the discharge of the public debt within a short period of time.

A direct tax to all practical purposes is a mortgage of the most binding character on the real estate, which pays the tax, and nothing can relieve it from this incumbrance but the cessation of the tax itself.

The value of property, either for use or for sale, is lessened to the amount of the tax, and of course the longer the tax continues, the longer will this disadvantageous liability continue.

Generally speaking, individual mortgages are made for fixed and limited periods, and the extent of the depreciation of value by the existence of such an incumbrance can be properly estimated; but where the incumbrance is indefinite in its character and beyond the control of either or both the purchaser and seller, the depreciation to the owner of the estate is much greater, and to that extent he must be the loser. This is precisely the condition of an estate burthened with a tax, which is to continue for an indefinite period.

And here, it is proper to remark, that an unsettled financial policy with regard to the debts of a State is, if any thing, more injurious than a fixed policy, bad as it may be, but which proposes for a definite period the imposition of taxes, and which, after that, notifies the whole world that the taxes are to cease.

There is at the present time a strong disposition in foreign capitalists who wish to embark in commercial, mining and agricultural enterprises, to settle in our State. It is not simply because Maryland from her soil, climate, mineral resources, and her central position near to the great West, with an outlet to the Ocean by her magnificent Bay, offers the strongest inducements for capitalists from other States, and other countries, to come amongst us; but it is greatly owing to the financial policy which has hitherto prevailed in the State, since the resumption of the punctual payment of the interest on the public debt. Persons of the class referred to, who wish to make investments in a State, closely scan its movements in this respect. All the reports and all the laws on the subject of taxation, are eagerly sought after and critically examined. They have found that the State in 1841, was in difficulties, which led to the suspension of the payment of its regularly accruing interest, but they also saw in 1847, that it was boldly and honestly determined that the resumption of punctual payment of interest should take place; and also that the arrears of interest should be funded in an interest-bearing stock.