

Assuming, then, that we must provide the annual sum of \$750,000 for five years, the question now to be decided is. in what manner shall that amount be raised? As before asserted a loan outside of the Treasury must be made in order to meet the payment due to the United States Treasury on the 30th of June next. Shall the whole of the United States Direct Tax for the four succeeding years be paid within those years by the people of the State, or shall the amount, by means of a loan based upon a smaller rate of tax, be extended over a period of ten or twelve years? To pay the whole in each year as it fell due, would require an addition to the State Direct Tax of at least thirty cents in the one hundred dollars, which added to the levy now in force, would make our whole State Direct Tax forty cents in the one hundred dollars. If it were absolutely necessary to impose such a tax, your committee believe that the large majority of the people of Maryland would cheerfully submit to the exaction, for the sake of the great cause in support of which it would be laid. But there are cogent reasons for making our direct tax as light as possible, at present, if there is any method of obtaining part of the means required by a loan negotiated at reasonable rates. The city of Baltimore, from which about half of our revenue, direct and indirect, is derived, has during the convulsions of our civil war, suffered more severely than any other city in the loyal States. All her trade with the South and Southwest, together with the greater part of her trade with the West, has been cut off, and the collection of the debts due to her merchants all through the seceded States has been stopped; and the inevitable consequences have followed—the bankruptcy of mercantile houses formerly in high credit—prostration of almost every kind of business—the serious diminution of rents, dividends, and all forms of income—and ruinous depreciation in the value of real estate and other capital. The great cities North of us have derived pecuniary profits growing out of this war, which, in a great measure, and in some cases to the full extent have compensated for their losses sustained in connection with their Southern trade. Our own metropolis has had no appreciable share of these advantages. In the State at large, although crops have been fair during the past year, and prices of agricultural products have been good; yet the price of land and other farming capital has ruled so low, that no part of them could well be sold, except at serious sacrifice. This is not said by way of complaint, nor even to show that our State by such losses has already paid large contributions for the existing war, independently of what is to be imposed in the shape of United States and State direct taxation; for far greater losses could be cheerfully borne to save our National Government, and to redeem that permanent prosperity, which, so far at least as Maryland is concerned, depends entirely on the preservation of the Union. Attention is called to these facts,