BALTIMORE CLIPPER.

"THE UNION, THE CONSTITUTION, AND THE ENFORCEMENT OF THE LAWS."

VOLUME XLIX.--NUMBER 135. BALTIMORE, THURSDAY MORNING, DECEMBER 8, 1864. PRICE TWO CENTS.

Latest News by Telegraph TO THE BALTIMORE CLIPPER.

THE LATEST FROM TENNESSEE.

NO GENERAL BATTLE YET.

Return of Two Brigades that were Supposed Captured.

Rebel Movements near Nashville.

Rebel Defeat Near Murfreesboro'.

THEY LOSE SIX PIECES ARTILLERY.

LATEST FROM FORTRESS MONROE

Capture of a Blockade Runner.

Schooner and Steam Tug Captured by Guerillas on James River.

FROM THE ARMY OF THE POTOMAC

Reception of a Flag of Truce.

Strict Orders Forbidding the Exchange of Newspapers.

Latest from Tennessee.

LOUISVILLE, Dec. 6.—The Journal learns that Gen. Cooper's brigade of white troops, and a brigade of colored troops, which latter garrisoned Johnsonville prior to its evacuation, both of which were cut off from the main army when Gen. Schofield retreated from Franklin, have arrived at Clarksville.

The Nashville train arrived here on time this evening, the passengers leaving Nashville at 6 o'clock this morning. They report all quiet there save some slight skirmishing the previous night.

LATER FROM TENNESSEE.

NASHVILLE, Dec. 7.—A captain of Forrest's cavalry corps was recognized by some of his former companions dressed in citizens clothing taking observations of our works near Fort Gillen to-day, and a member of the 10th Tennessee was captured while in the act of deserting to the enemy. The rebel cavalry have possession of the residence of Mrs. A. V. Brown, and are entrenching themselves this side of it. They have also taken possession of the hill near Hyde Ferry road and are planting batteries. Since 4 P. M. to-day, the guns of Forts Negly and Casin have been shelling the rebel force in their front to prevent the enemy from erecting batteries.

A flag of truce was sent in by General Hood on Monday, which was received by our pickets on the Franklin pike. The bearer had a letter from Hood proposing an exchange of prisoners. Gen. Thomas declined the proposal for the reason that the prisoners we have captured have been sent North.

Generals Milroy and Rousseau are at Murfreesboro, which is amply garrisoned and defended against any rebel force which may attack it.

Yesterday a body of rebels attacked the block houses Nos. 6 and 7, near Murfreesboro; but they were gallantly fought by the garrison, and soon a body of troops sent by Gen. Milroy, from Murfreesboro, arrived and attacked the enemy with such effect that they were driven off in confusion, losing six pieces of artillery and a number of prisoners.

Affairs at the front are quieter than usual. No artillery that can be seen, has yet been placed in position by the rebels. Hood's headquarters are said to be at Brentwood, six miles south of the city, on the Franklin pike.

Louisville, Dec. 7.—The Journal's Nashville special of yesterday, says that the rebels lost at Franklin, Tenn., ten General officers, among whom were Gens. Gordan and Quarles, not previously reported. Cheatham escaped capture only by the fleetness of his horse. The transport steamers Prima Donna, Prairie State and Magnet, captured yesterday on the Cumberland river were re-captured to day by the gunboat Carondelet.

From the Army of the Potomac.

HEADQUARTERS ARMY OF THE POTOMAC, Dec. 5.—A flag of truce appeared yesterday in front of the Second Division of the 2nd Corps, bringing despatches addressed to Generals Gregg, Humphreys and Foster. The flag was brought by a Captain, and 1st, 2nd and 3rd Lieutenants, and a Sergeant, all staff officers. The despatches were received and forwarded. Their nature has not transpired, nor what answer, if any, were returned.

Picket firing is still kept up in the vicinity of Fort Sedgewick, but not so persistently as formerly.

A member of the 39th New Jersey regiment was shot through the head yesterday while sitting in his tent about half a mile in the rear of our line. Casualties occur there almost daily.

The most positive orders have been issued against any intercourse whatever with the enemy on any pretext whatever, and particularly against exchanging newspapers, and the men along the line have orders to shoot any one who attempts to pass outside the pickets.

W. D. M'GREGOR

THE ELECTORAL VOTE.

ALBANY, Dec. 7.—The State Electors assembled at the capitol to-day, and cast the thirty-three electoral votes of the State for Lincoln and Johnson for President and Vice President of the United States.

Harrisburg, Dec. 7.—The Electoral College convened in the Senate Chamber today, and was called to order by Mr. McMichael, President. The Secretary of the Commonwealth was introduced with the returns of the election, and reported as elected the Union electors. All reported present, except Mr. John Wistar. A resolution was offered reciting the fact that Mr. Wistar was in Europe, and nominating John B. Clark in his stead, who was unanimously elected in the place of Mr. Wistar and commissioned by the Governor. The College then proceeded to vote for President and Vice President of the United States by ballot, which resulted in a unanimous vote for Abraham Lincoln and Andrew Johnson.

From Fortress Monroe.

FORT MONROE, Dec. 6.—The recently captured blockade-runner steamer Vixen arrived here yesterday afternoon from the blockade fleet off Wilmington. The Vixen was captured by the United States gunboat Rhode Island, while endeavoring to run into Wilmington. Her cargo is a very valuable one, consisting of medicines, rifles, ordnance stores and blankets of superior English manufacture.

Intelligence reached here this afternoon of the capture and destruction of a sutler's schooner, the Nimrod, and the steam-tug Lizzie Freeman, at midnight last night, while anchored off the mouth of Warwick river, about seventeen miles above Newport News, Va., by a party of rebels who came in a small boat, and who, it is said, were a portion of the same crew of the pirate Florida. They were twelve in number, under command of an officer wearing the uniform of the rebel navy.

The sutler's schooner and the tug had come to anchor at the point named, on account of the weather being so thick as to render it impossible to proceed with safety. The schooner was first captured, the crew being surprised while in their bunks, and made no resistance. The rebels then quietly captured the tug in the same manner, paroling all the crew and passengers, among whom was Captain Sautelle, Superintendent of the Military Prison at Norfolk, after robbing them of their valuables and most of their clothing. After placing all the prisoners on board of a barge, beneath the hatches, the pirates burnt the schooner and sunk the tug. As soon as intelligence of the affair reached the authorities, a force was sent after the pirates, but too late to overtake them.—The schooner and cargo were owned by Charles Gallagher, of Baltimore, and the loss sustained will amount to $26,500. There was no insurance.

ATTEMPTED ARREST OF CONSCRIPTS AND DESERTERS.

They Resist and are Fired On—One Deserter Killed and Two Wounded.

MCCONNELLSBURG, PA., Dec'r 3d.—A fight occurred at Timber Ridge yesterday between a portion of Company F, of the 201st Pennsylvania Mounted Infantry, and delinquent conscripts and deserters congregated at a shooting match. The soldiers advanced, and Provost Marshal Houpt went forward to hold a parley with the conscripts. They refused to listen to him, and commenced to fire shots at him, none of which took effect.

The soldiers then opened fire, when a general fight ensued, lasting for about an hour. The conscripts and deserters were finally driven over two hills, skirmishing being kept up the whole way. The fighting was carried on principally in the woods. The casualties were slight. The conscripts lost one man killed and two wounded. One wounded man was captured, the remainder being familiar with the country, made good their escape into the mountains. None of our men were injured. More affairs of this kind may be speedily looked for, as it is determined to bring these outlaws to justice.

From Washington.

WASHINGTON, Dec'r 7.—The Union or Republican Senators held a caucus this morning to arrange the Standing Committees. These will remain nearly as they were during the last session of the Senate, the vacancies being filled. Senator Sherman will be Chairman of the Committee on Finance, with a view to secure harmony between the Committee on Naval Affairs and the Navy Department, a change in the chairmanship superseding Senator Hale is suggested, but this question will not be decided until the caucus again meets to-morrow.

Hon. Nathan Sargent, Commissioner of Customs, who recently made a tour of the Northern States, has returned to Washington. His object was to give effect to the law to prevent smuggling across the lines, and as far as possible to apply a correction to existing abuses.

THREATENED RAID ON DETROIT.

DETROIT, Mich., Dec. 7.—Information of the most positive character has been received that a raid upon this city is being organized by rebel refugees in Canada.—In consequence of the information received, the civil and military authorities are making preparations to receive the raiders. Col. Hill, the military commander, recommends that immediate measures be taken to organize and arm militia regiments for local protection. A large number of special policemen have already been enrolled and other active and vigorous measures are being adopted for the protection of the city.

ANTICIPATED CABINET CHANGES.

PHILADELPHIA, Dec 7.—At a large meeting of merchants in this city, held in the rooms of the Corn Exchange to-day, resolutions were adopted presenting the name of John W. Forney, Esq., as the candidate of Pennsylvania, for a position in the Cabinet in the event of a reconstruction.

Delegations of Pennsylvanians have gone to Washington to urge the appointment of Col. Forney as Secretary of the Interior, in the event of Judge Fisher going upon the Bench, or as Secretary of the Navy in case Secretary Welles should accept the Embassy to France.

SINKING OF A STEAMER.

CAIRO, December 4.—The steamer Continental yesterday morning struck on the wreck of the James Montgomery, causing her to sink in thirty minutes, but she was run on the bar before she was filled. She has no water on the main deck, and all her cargo was rated in a damaged condition by the steamer Hannibal. The boat lies straight and can be raised easily.

The steamer Edward Walsh, of New Orleans, has arrived, with 97 hhds. of sugar for Cincinnati, and 27 hhds. do. and 56 bales of cotton for St. Louis. 64 additional bales of cotton arrived yesterday.

A MAIL FOR GEN. SHERMAN'S ARMY.

NEW YORK, Dec. 7.—The steamer Fulton sails to-morrow under sealed orders, with a heavy mail for Gen. Sherman's army, which has principally accumulated at Nashville since the movement commenced. The steamer Monterey will take the regular Port Royal mail to-morrow.

FALL OF METEORS.—About sun up yesterday morning three meteors were observed to fall in the vicinity of this city, in quick succession. One, whose course was from the north west to the southeast, which descended at an angle of about 45 degrees, with a tail some twenty-five or thirty feet long, is described to us, by those who saw it, as having been grand, sublime, and beautiful beyond description.—When it burst, it is said to have shot forth as many variegated hues as a rainbow, and far surpassed in beauty any of the devices of man, not excepting fireworks and artificial skyrockets.—*Quincy Herald, 23d.*

[Correspondence of the Baltimore Clipper.]

PROCEEDINGS OF THE ELECTORAL COLLEGE.

ANNAPOLIS, Dec. 7, 1864.

Editor Baltimore Clipper:

The Electors for President and Vice President of the United States of America, in and for the State of Maryland, met here to-day at 12 o'clock M., and organized by electing Hon. Wm. J. Albert, President, and H. P. Jordan, Esq., Secretary; John P. Wright, Esq., Messenger, and Wm. Freeman, Esq., Doorkeeper.

On motion of Hon. H. H. Goldsborough to proceed to election of President of the United States, Mr. Mathews nominated Abraham Lincoln, of Illinois. The Chair appointed Messrs. Reese and Farrow tellers, who, on counting the votes before the electors, it was declared by the President that Abraham Lincoln, of Illinois, had received seven votes for President, being the whole number of votes to which the State of Maryland is entitled.

On motion of Mr. Sands, they went into election for Vice President. Mr. Sands nominated Andrew Johnson, of Tennessee, and on counting the ballots it was declared by the President that Andrew Johnson, of Tennessee, had received seven votes, being the whole number of votes to which the State of Maryland is entitled.

The Secretary then procured the three certificates required, which were signed by the Electors, and the Governor's certificate annexed, they were then signed, folded and sealed up, and endorsed on back of envelope: To the Hon. the President of the Senate of the U. S., Washington. The College then adjourned *sine die.*

Immediately after the adjournment patriotic resolutions were adopted by the Electors, endorsing the Administration and commending the appointment of Hon. S. P. Chase as Chief Justice of the Supreme Court of the U. S. R. E. J.

THE WAR IN THE SOUTHWEST.

CAIRO, Dec, 5.—One hundred and seventeen bales of cotton arrived to-day.—Fifty-four of them go to St. Louis.

General Buford has ordered the lines around Helena closed to everybody. Stragglers arriving at Helena on steamers, as soon as discovered, are furnished with passes and required to leave immediately.

The Memphis Democrat says that forty-five prominent citizens were recently arrested at the mouth of White river by order of General Buford, for attempting to purchase cotton with permits from Mr. Ellery, U. States cotton purchasing agent at Memphis. Mr. Ellery dispatched an agent with letters of instructions to investigate the case and report to him. Upon his arrival at Helena, General Buford peremptorily refused to investigate or permit him to proceed up the White River, ordering him to return to Memphis on the first boat.

The steamer James Watson was detained at Helena, her officers being charged with illegal operations in cotton.

Among the prisoners captured on the rebel officers during Col. Karge's raid into Arkansas, was an affecting appeal to the rebel Gen. Kirby Smith by ex-Gen. Wirt Adams, who has been conscripted and reduced to the ranks.

The steamer Clara Debron, from New Orleans, has arrived. She was fired into at the head of Dead Man's Bend with musketry. No one was hurt. The rebels occupied Geodrich Landing, which the Unionists recently abandoned.

Vicksburg and New Orleans papers by the steamer contain no news. The markets at New Orleans were unchanged.

The Unionists have withdrawn from Johnsonville and the Tennessee river.

Large quantities of clothing, boots and shoes were recently forwarded from Memphis via Mobile, under charge of Capt. Whitlock, for the relief of the Union prisoners.

☞ The Detroit Tribune says that the deserters who have basely turned their backs upon the old flag, and fled to Canada, are coming to grief, and many of them wish themselves back again beneath its protecting folds. A large number of these arrivals, but repentant sinners, recently held a meeting at Suspension Bridge, which resulted in their forwarding a petition, asking that they might be received back to their respective regiments without being subjected to usual punishment, meted out for offenses like theirs. Their condition is as pitiable as deplorable. Half of them are barefooted and scarcely clothed at this inclement season, and their only means or prospect of keeping body and soul together is in working upon the Great Western Railroad, and other Canadian public works, at pay which scarcely finds them, without sufficiently clothing them. They are intensely unpopular with the people of Canada, who take every means in their power to crowd them back into the United States. On the whole, their condition there is tenfold worse than that of the free negroes. Their number is now about 5,000.

☞ A number of Spanish bishops and clergy are preparing to send a deputation to Rome to present to the Pope the expression of their attachment to the visible Head of the Church; to protest against the spoliation of the patrimony of St Peter; and to invite his Holiness, in case he should be obliged to leave Rome, to take up his abode in some metropolitan city of Spain. The deputation will also offer to the Pope a considerable sum of money, the proceeds of a subscription made for the purpose by all classes of society in Spain.

☞ When General Taylor was elected President, sixteen years ago, he did not receive a single electoral vote from the States lying north and west of the Ohio river. President Lincoln carried them all four years ago, but many of them by meagre majorities. In this year he has in three States a popular majority of 240,000, and 103 electoral votes. This great vote and popular majority by the Northwest shows that part of the country does not intend to secede just yet.

☞ A bailiff in England lately served a process from the court upon a poor man in Blackburn, the amount claimed being small. The whole of the family being out at work, and totally in want of the common necessaries of life, they were unable to muster the payment of one shilling for appearance, whereupon the bailiff seized the family Bible, almost the only remaining remnant of the household goods, with which he walked off in triumph.

☞ A kind hearted wife has waited on a physician to request him to prescribe for her husband's eyes, which were sore. "Let him wash them every morning with brandy," said the doctor. A few weeks after the doctor chanced to meet the wife. "Well, has your husband followed my advice?" "He has done everything in his power to do it doctor, but he never could get the brandy higher than his mouth."

☞ A kind hearted Yankee has naturalized in New South Wales, and has proved itself to be a very hardy plant, having survived the operation of great heat and cold, moisture and drought. The tree is a native of China, and is known as the source of that peculiar spongy fabric, upon which the chinese paint their family records of births, &c.

☞ Captain Stevens, Martha Meyers, cleared four days ago for a blockade runner recently brought to this port, and discovered nearly one thousand five hundred blank commissions for the navy and marine corps of the Confederate service. They are beautifully engraved by Gates and Hess, of Liverpool, and printed on parchment.—*Boston Transcript.*

☞ N. G. Trowbridge, a convicted blockade runner, has been sentenced to ten years imprisonment at hard labor. The sentence has been approved, and Fort Delaware designated by the Secretary of War as the place of confinement.

☞ Bishop McIlvaine of Ohio, who returned with his family from Europe on the steamer Etna, narrowly escaped being washed overboard during a terrific gale.

☞ The arrival in Richmond of Geo. D. Prentice, editor of the Louisville Journal, caused a sensation, the people generally thinking he was a peace commissioner.

☞ The yacht for Garibaldi has been bought at last. The sum paid was £700, She is fifty tons burden, and called the Princess Royal.

☞ Eleven masked balls are announced at the Paris opera during the carnival. Young France is much elated at the prospect.

REPORT OF THE SECRETARY OF THE TREASURY.

☞ We give to-day the most essential portion of the report of the Secretary of the Treasury, the whole report being in its length so formidable as to compel us to shorten it for our columns. One of the ablest financial exhibits of the condition of the Treasury ever made, those who carefully scan the part we give, will see in the clear exposition made—in the figures presented—much to encourage them, for all must feel a natural solicitude to know the present condition of the National finances.

In presenting to Congress his Annual Report on the state of the finances, in obedience to the requirements of law, the Secretary of the Treasury feels that while there is no occasion to distrust the ability of the people of the United States to bear the great and increasing burdens imposed upon them by the arduous and prolonged struggle for National existence in which they are engaged, there is, nevertheless, much in the financial condition of the government which requires careful and anxious consideration.

* * * * * * * *

Congress, by acts of February 25 and July 17, 1862, saw fit to authorize the emission of United States notes to the amount, including sixty millions of treasury notes previously authorized, which were to be redeemed and canceled, of three hundred millions of dollars, as a substitute for coin, declaring them a legal tender for debts, public and private, and clothing them with all the requisites of currency. These notes were convertible, at the will of the holder, into bonds of the United States, paying interest at six per centum semi-annually in coin, to secure which the revenue from customs, also payable in coin, was specifically pledged. The same act of February 25, 1862, authorized the issue of bonds to the amount of $500,000,000, increased subsequently to $811,000,000, redeemable after five years, and payable in twenty years from date.

Notwithstanding the ample provision supposed to be made by Congress for the expenditures of the fiscal year ending on the 30th of June, 1863, the report of the Secretary submitted on the 4th of December, 1862, showed a deficiency for the current year of $276,514,517 66, while the estimated amount of expenditures over ordinary receipts from ordinary sources for the succeeding year was $672,388,185 56. To provide for the aggregate of these amounts, Congress, by an act approved March 3, 1863, authorized a loan of $300,000,000 for the then current and of $600,000,000 for the then fiscal year. By the second section of the same act the Secretary was authorized to issue as a part of said loan $60,000,000 in amount of treasury notes bearing interest at a rate not exceeding 6 per centum per annum, payable in lawful money, which notes, payable at periods expressed on their face, might be made a legal tender at their face value. By the third section $150,000,000 of United States notes of a like character with those previously issued under the provisions of former acts, were authorized as a part of said loan.

It will be seen by the several acts of Congress referred to, Government paper as a substitute for coin, under the respective designations of United States notes and Treasury notes might be issued to the amount of eight hundred and fifty millions of dollars, viz: United States Treasury notes, not bearing interest, to the amount of four hundred and fifty millions, but of which, fifty millions were to be held in reserve for the redemption of temporary deposits and to be replaced as soon as practicable, thus leaving the whole amount intended for circulation but four hundred millions, and four hundred millions of Treasury notes, bearing interest and which it was hoped and believed would not remain in circulation, yet they could be made legal tender only for their face value without interest.

In the preceding enumeration of the several acts passed by Congress with a view to provide the large means required to meet unusual expenditures for a period including the fiscal year of 1864, no reference has been made to the several auxiliary measures designed to meet the exigencies of the hour, but neither enlarging nor disclaiming the amount required, and serving no other purpose than a mere temporary resource.

Of such was the Act of March 1st, 1862, authorizing the issue of certificates of indebtedness, payable one year or less after date, with six per cent. interest, and the several acts authorizing the Secretary to receive deposits at the Treasury for a period not less than thirty days to be repaid at ten days notice.

Of a permanent character, from its necessarily limited amount, is the fractional currency authorized by the Fourth Section of the Act of March 3d, 1863.

The object of the Secretary in calling attention to these various Acts of Congress in connection with the estimates of his predecessor is to show:

First: The utter impossibility, in times like the present, of estimating with any degree of certainty prospective demands upon the Treasury. Estimates on the most liberal scale may be, as they have been, found inadequate. Hence arise large deficiencies, occasioned by an unexpected increase of military force, in the first place, and upon a rise of prices for material, invariably consequent upon military operations conducted upon a gigantic scale, even if the currency could be maintained in a sound and national condition.

Secondly: The difficulty of relying upon any policy not subject to the contingencies of the hour. It is, in the Secretary's judgment, not only difficult, but impossible to apply hard rules to a condition of affairs constantly changing, or to meet contingencies which no human wisdom can foresee by a steady application of general laws, especially in a Government and with a people where public opinion is the controlling element, and that opinion is not under the direction of those who may happen to administer public affairs. Accordingly it has been seen that the attempt to conduct financial operations on a large and comprehensive basis, soon proved impracticable, and recourse to some other species of currency of a national character became unavoidable, as was unanimously recommended by my predecessor in his report of December, 1862.

Brought with danger as the government paper has almost invariably proved, there was, under the circumstances, no other resource.

Of course the danger increases with enlarged demands upon the Treasury growing out of increased expenditures, a result of prices enhanced by an increase of taxation on articles of consumption, the withdrawal of labor from productive pursuits, accompanied by an aggravated demand for products and material incident to a state of war.

The problem to be solved is how to mitigate the evil if it cannot be fully avoided. If loans can be negotiated at reasonable rates, and the Treasury can thus be kept in a condition to meet current demands, it is not difficult, to restrain the circulation of Government paper within safe limits. But this, not always within its a line of peace, through which unexpected resources will always could be, is not found impossible when reliance upon large scale and long continued, has created distrust. Hence it has followed that, under the active forces, our bonds have assumed various forms to suit what was supposed to be the choicest lenders.

Our notes have shown a similar diversity of characters. Hence it has been found impossible to avoid the necessity of issuing them to an extent which could not but aggravate the trouble incident to the necessities of our condition, yet, it was deemed to resort to the issue of paper. Public credit, the idea of a specie basis was for the time sight of, as the payment of interest on the loans in coin was amply secured, and although in strict of the sale authorizing the issue of bonds at long periods, payment of the principal, at maturity, in coin, is not specifically provided; the omission, it is believed, was accidental, as there could have been no intention to make a distinction between the different classes of securities in this respect. It is therefore earnestly recommended to remove all doubt upon this point by proper legislation. Although the wisdom of thus securing the payment of interest on bonds in coin has been questioned, and the pledge of receipts from customs to be collected in coin for this purpose has perhaps facilitated the operations of those disposed to enhance the price of gold for speculative purposes, the Secretary is of the opinion that these measures were not only wise but necessary at the time, and greatly aided in sustaining public credit.

The expenditures for the preceding fiscal year so slightly exceed the estimates of the Department that at the last session of Congress it was not considered necessary to increase the amount authorized to be raised by existing laws. Experience had shown, however, that some changes of form were advisable.

By an act approved March 3, 1864, authority was given to the Secretary to issue bonds to the amount of $200,000,000 in lieu of so much of the loan authorized by the act of March 3, 1863, redeemable after any period not less than five years, and payable not more than forty years from date. At a subsequent period of the session, June 30, 1864, the authority conferred by the first section of the act of March 3, 1863, was repealed except as far as it affected an amount of $75,000,000 then advertised, and power was given to borrow $400,000,000 in bonds redeemable after five years, and payable not more than forty years from date.

By the second section of the same act, authority was conferred to issue in lieu of the same amount of bonds $200,000,000 in treasury notes, which might be made a legal tender at their face value, bearing interest at a rate not exceeding seven and three-tenths per centum, payable in lawful money and convertible at the pleasure of the Secretary into bonds issued under the authority of said act.

The Secretary was further empowered to substitute for Treasury notes, issued under former acts, an equal amount of notes, such as were therein authorized.

A table is appended to this report showing the amounts issued under the several acts hereinbefore referred to, to the beginning of the present fiscal year, from which it appears that by the laws in force on that day the Secretary had authority to borrow on the credit of the United States the amounts following, viz:

First, Under the act of March 3, 1863, so much of $75,000,000 advertised previously to June 30, 1864, as had not been awarded to bidders.

Second, Under the act of March 3, 1864, so much as had not been subscribed for and paid into the Treasury, viz: $137,603,650.

Third, Under the act of June 30, 1864, $400,000,000.

Fourth, Amount of Treasury notes issued under former acts, which had been redeemed and canceled, and which the Secretary was authorized to replace by notes issued under the act of June 30, 1864, $67,191,400.

Total available resources under laws authorizing loans, $632,794,675.

To this may be added the actual balance in the Treasury, July 1, 1864, $18,842,588 71.

Total, $651,127,215 71.

A statement of the receipts and expenditures, estimated and actual, for the year ending June, 30, 1863, will show how this balance in the Treasury is obtained, and the increase of the public debt during the year, viz:

RECEIPTS.	Estimated.	Actual.
Customs	$72,262,018 42	$102,314,123 99
Lands	430,182 09	868,323 29
Miscellaneous	5,641,342 04	47,511,449 19
Direct tax		475,644 96
Internal revenue	77,580,612 53	109,741,134 10
Total	$156,230,436 17	$260,832,717 44
Add bal. July 1, 1862	3,328,044 21	3,328,044 21
Aggregate	$161,568,500 35	265,961,761 65
Estimated receipts from loans	594,000,000 00	616,114,924 92
Total	$755,568,500 35	$882,076,646 57
EXPENDITURES.	Estimated.	Actual
For civil service	$31,987,811 59	$24,755,599 46
Pen'ns & Ind'ns	7,840,314 31	7,517,930 97
War Departm't	565,479,541 11	599,791,844 97
Navy Departm't	112,746,186 60	85,792,192 77
Inter'st on debt	80,165,128 39	59,685,671 00
Total	$1,099,731,982 42	$865,194,067 56
Deduct estim'te	300,000,000 00	
Total	$799,731,982 42	
Set aside for sinking fund	5,636,350 00	$18,842,588 71
From actual receipts on loans		616,114,924 92
Leaving balance on hand July 1, 1863		18,842,588 71

It shows the amount received from loans applied to the service of the year ending June 30, 1864 ..... $599,272,236 31

The statement may be more intelligible in another form, as follows:

Actual expenditures for the fiscal year $865,194,067 56

Deduct receipts from ordinary sources and balance from preceding year 265,961,761 65

Balance provided from loans applied to the service of the year 599,272,236 31

The amount derived from loans specifically stated, is as follows:

Five-twenty bonds, Act Feb. 25, 1862	$321,557,250 21
Fractional currency exceeding amount redeemed	2,707,421 23
Six per cent. bonds, Act July 17, 1861	30,565,975 45
Ten forty bonds, Act March 3, 1864	73,237,600 00
Twenty years' six per cents, Act March 3, 1863	42,141,771 05
United States notes, Act Feb. 25, 1862	43,859,921 46
One year five per cent. notes, Act March 3, 1863	40,520,000 00
Two year five per cent. notes, Act March 3, 1863	152,664,800 00
Three year six per cent. compound interest notes	15,000,000 00
Certificates of indebtedness exceeding amount redeemed	4,498,758 35
Whole amount	$750,642,418 97

Of which amount there was applied to repayment of public debt 113,227,496 65

Which deducted it leaves applicable to expenditures 637,414,922 32

Deduct balance July 1, 1864 ..... 18,842,588 71

Balance applied to the service of the year $599,272,236 31

The public debt as stated by my predecessor, in his report of December 10, 1863, was $1,098,783,181 39

To this amount should be added amounts paid into the Treasury previous to July 1, 1863, for which evidences of debt were subsequently issued 23,782,441 90

Amount of debt of July 1, 1863 ..... $1,122,565,623 29

Add amount of loans applied to actual expenditures as above, and balance in the Treasury July 1, 1864 ..... 615,114,924 92

It gives the amount of public debt July 1 1864 ..... $1,746,680,548 21

The very largest comparative receipts from miscellaneous sources requires explanation. They are accounted for as follows, viz:

From captured and abandoned property	$3,146,715 09
Premium on gold shipped from San Francisco to London	2,786,929 64
Sales of prizes due to captors	4,028,111 42
Internal and coastwise inter course fees	5,600,257 90
Premium on sales of gold coin	10,499,975 40
Commutation money	12,451,595 15
All other sources	3,718,542 11
Total	$47,511,449 19

The Secretary is of the opinion that not over $75,000,000 can be safely calculated during the current year.

The item of "premium on gold shipped from San Francisco to London" may also require further explanation. In March, 1863, it became necessary to transmit a considerable amount of specie to London for a special purpose, for which an appropriation had been made by Congress, and it was thought advisable to deposit a certain amount of our securities with our resident London banker, against which bills might be drawn. Five twenty bonds to the amount of 10,000,000 were accordingly placed in the hands of two distinguished citizens, to whose care the negotiation was committed.

The negotiation failed, and the 10,000,000 were returned to the Treasury and disposed of. It was thought advisable that the amount of 4,000,000 should remain, and that exchange should be drawn against it and the bonds disposed of as used, in a favorable market should be found. It appears however that very nearly the amount of issue is in excess of the $511,000,000 authorized by existing loans, $510,756,900 having been disposed of—any bonds known as 5-20 recently issued. It is at least questionable whether by this clause power is conferred to dispose of an amount beyond that fixed by existing laws. Additional legislation may remove that doubt, should Congress think it advisable, otherwise they may be cancelled. Exchange having been drawn, it becomes necessary to provide funds to meet the bills at maturity, which was accomplished by shipments of gold from California.

The expenditures for the current fiscal year were estimated in the last report of the Secretary as follows, viz:

Estimated balance of former appropriation	$250,000,000 00
For the civil service	27,993,191 81
For pensions and Indians	9,631,903 77
For the War Department	336,204,127 77
For the Navy Department	142,618,785 40
For interest on the public debt	85,387,677 15
Aggregate	$1,151,815,685 90
Deducting as likely to remain unexpended on the 30th of June, 1864	400,000,000 00
Leaving to be provided for	751,815,685 90
And the receipts from ordinary sources were estimated in the aggregate at	206,588,639 93
Leaving to be provided by loans	545,576,540 53

This estimate, like all others of a similar character, was necessarily based on past experience with regard to unexpended balances and upon estimates from the different Departments, which in a time of war must be liable to great uncertainty. Additional information enables me to state the probable expenditure with a near approach to accuracy, as corrected by including so much of the actual balance of former appropriations as is liable to be used during the year, those made at the last session of Congress, the additional amounts called for by most probable deficiencies, and reducing the balance of unexpended appropriations at the end of the year, as from amounts expended during the first quarter would seem necessary, the estimate is as follows, viz:

Actual unexpended balances, as above	$250,267,000 77
For the war Department	625,941,741 65
For the Navy Department	119 967,450 86
For the Civil Service	27,796,573 56
For Pensions and Indians	6,683,979 12
Indefinite Appropriations	9,152,007 11
Total	$1,153 919,920 57
Add interest to public debt	91,879 215 19
Total	$1,345,799,135 73
Add Public Debt matured and maturing during the year, viz:	
Certificates of Indebtedness	150,729,800 00
Texas Debt	2,149,000 00
Loans of 1863	196,909 45
Treasury Notes under act of March 2, 1861, and prior thereto	279,511 64
Total	$1,499,681,455 54

The amount of certificates outstanding on the 1st of November, 1864, was $138,493,000. This being a much larger amount than the market ought to bear, it would not be wise to calculate upon these securities as available for the service of the year beyond $75,000,000. The available probable resources for the current year may then be stated as follows:

From customs	$70,371,091 96
From lands	642,195 84
From Internal Revenue	249,541,259 97
From miscellaneous sources	24,820,171 46
From direct tax	16,879 96
From cert'fs of indebtedness	75,000,000 00
Total	$419,512,399 02

To this should be added probable unexpended balances June 30, 1864, $250,000,000 00.

Balance of cash July 1, 1864	$18,582,555 71
Total resources	768,354,947 73
Which, deducted from expenditures, leaves balance to be provided for by loans	620,727,509 11

If, however, an additional sum of fifty millions should be realized, as proposed by the Commissioner from Internal Duties, the amount to be provided would be 570,727,509 11

From this should be deducted the public debt to be redeemed 48,353,320 00

Leaving an increase of public debt at the close of the year 492,374,189 02

Stated in the usual form by taking the receipts and expenditures at the first quarter, as a distinct basis of calculation, the result is the same, viz:

For the first quarter of the current year, ending September 30th, 1864, the actual receipts, as shown by the books of the Treasury, were as follows:

From Customs	$19,271,491 97
From Lands	342,125 84
From Direct Tax	16,879 64
From Internal Revenue	46,262,656 98
From miscellaneous sources	9,630,171 44
Total receipts	75,213,325 87
Add balance in Treasury, July 1st, 1864	18,842,588 71
Receipts from all sources excepting Loans	94,054,947 73

For the three remaining quarters ending on the 30th of June, 1865, the estimate is:

From Customs	$ 51,000,000 00
From Internal Revenue	203 000,000 00
From Lands	300,000 00
From miscellaneous source	15,000,000 00
Total	$269,300,000 00

Total receipts from ordinary sources, actual and estimated, with the balance on hand July 1, 1864, $363,354,947 73.

The expenditures for the first quarter ending Sept. 30, 1864, were as follows:

Civil service	$4,712,429 51
Pensions and Indians	4,835,119 31
War Department	89,700,288 83
Navy Department	21,292,916 87
Interest on public debt	19 921,034 48
Total, exclusive of principal of public debt	$139,061,861 81

For the three remaining quarters the estimated expenditures based upon appropriations and estimated deficiencies are:

For the Civil service	$20 253,489 27
For Pensions and Indians	6,516,895 72
For War Department	677,479,304 30
For Navy Department	9,929,614 16
For Interest on Public Debt	71,429,160 70
Total of expenditures actual and estimated	$1,943,749,135 75

These estimates include all unexpended appropriations from former years, and there may be deducted, as probable unexpended balance at the close of the year $350,000,000; leaving the total amount, actual and estimated, for the current year $595,129,135 75.

Deducting from the total of expenditures, actual and estimated, there will remain $512,374,189 02.

If Congress should adopt the measures for increasing the internal revenue at an early day, the Secretary believes there may be added to the receipts from that source $50,000,000, which being deducted there would remain to be provided $462,374,189 02

The public debt, matured and maturing during the year, is before stated, $161,353,320 09. From this may be deducted, as likely to be provided for by new certificates of indebtedness, $75,000,000. Add this sum ($86,353,320 09) to the balance to be provided for by expenditures of the year, viz, $462,374,189 02, and it makes the whole amount to be provided for by loans, $548,727,509 11. But as this would include so much of the existing public debt as would be redeemed, exceeding certificates issued within the year, viz., $88,353,320 09, this sum is to be deducted from the amount to be obtained by loans, viz, $570,727,509 11, showing the probable increase of the public debt during the year to be $482,374,188 02, which, added to the debt, $1,090,052,459 49, would make the public debt on July 1, 1865, $1,572,004,677 51, subject to such increase as may be occasioned should Congress not provide for additional revenue, or should the income from ordinary sources fall short of the estimates submitted.

Any estimate which may be made of the probable receipts and expenditures for the next fiscal year must necessarily be liable to still greater uncertainty. This remark applies more particularly to expenditures, for while, if existing laws remain unchanged, the amount of revenue may be calculated with reasonable certainty, it is impossible to anticipate what the exigencies of war may require. On the one hand this may call for increased effort, and on the other it may be confidently hoped that the great struggle is near its termination, and that, consequently, the estimate now submitted will prove to be beyond the wants of the year. While any doubt remains, however, it would be unsafe to assume any other basis of calculation than one predicated upon the existing state of affairs. The receipts for the year ending June 30, 1866, are estimated as follows:

From customs	$70,000,000
Internal duties	300,000,000
Lands	1,000 000
Miscellaneous sources	25,000,000
Aggregate	$396,000,000

The expenditures are estimated as follows:

Balance of unexpended appropriations	$350,000,000
For the civil service	30,000,000
Pensions and Indians	14,100,000
The War Department	501,755 101
Navy Department	112,219,068
Interest on public debt	127,000,000
Aggregate	$1,135 256,005

But from this aggregate there may be deducted as likely to remain unexpended at the close of the year 350,000,000

Total $785,256,005

Deduct estimated receipts from ordinary sources, $396,000,000, there will remain to be provided for by loans, $422,256,005. To this should be added for redemption of excess of certificates of indebtedness, $47,305,000, making the whole amount to be provided for by loans, $469,