

funds necessary to meet the demands of the County Commissioners of St. Mary's county, for one-half of the State's subscription to the stock of the Southern Maryland Railroad Company, made in pursuance of their recommendation, as provided by the Act of Assembly of 1868, Chapter 454.

The gross reduction of the Public Debt during the fiscal year, by redemption and exchange, was \$612,351 76, and the increase \$65,000, leaving the net reduction during the year. \$170,463 15, the balance being exchanged under the Act of 1872, Chapter 366. A nominal loss has accrued to the Treasury of \$31,417, in the amount of Sterling Bonds redeemed, said sterling debt being rated, in the calculation of the Public Debt, at \$4.44 $\frac{1}{2}$ per £ sterling; whereas, under the Code and the Act of 1872, Chapter 366, it is to be redeemed or exchanged at the rate of \$4.84 per £ sterling. The sterling debt has been reduced during the fiscal year \$352,999.99, leaving the amount still outstanding, and for which interest has to be provided in London, \$5,522,555.55.

A similar loss accrues to the State semi-annually, in the remittance of gold, to pay the interest on the sterling debt, in London. This item of loss and embarrassment to the Treasury, will continue so long as the currency of our own country is at a discount, as compared with that of other nations of the world.

STATE LEVY.

Statement "K" shows the State Levy for all purposes, for the year 1873, to be \$721,994.17, which is a small advance on the amount of levy for the preceding year

PUBLIC SCHOOL TAX.

Statement "L" shows the levy, receipts and disbursements on account of the Public School Tax, authorized by the Acts of 1865, Chap. 160, 1868, Chap. 407, 1870, Chap. 311, and 1872, Chap. 377. The receipts for the year ending 30th September 1873, on this account, were \$454,130, being less than those of the fiscal year 1872, by the sum of \$5,515.04, and greater than those of 1871, by the sum of \$44,064.36. The sum of \$52,000 is also expended under the laws of 1872, for the Colored Schools and Colored Normal School, to meet which, there is no special tax provided, and which sums are therefore a drain to that extent, on the ordinary resources of the Treasury. The schools throughout the State appear to be in a prosperous condition, and if we can continue to manage them as heretofore, without interference, will no doubt attain to greater usefulness, and grow into general favor.

BOUNTIES.

Statement "M" exhibits the amounts paid for State Bounties, from 1864 to the end of the fiscal year 1873, and the sources from which