

only a very limited amount of the State bonds at par. Having called in all the currency debt that had matured, except the Southern Relief Bonds, which matured in 1873, and being unable to procure at par any considerable amount of the unmatured currency debt, in which to invest the money in the Treasury to the credit of the sinking fund, the Treasury officers concluded to call in the whole amount of said Southern Relief Bonds, and cancel the same. This being done, it became the duty of the Comptroller, under the Act of 1864, Chapter 90, to reinvest the amount of said bonds, the same being a portion of the fund belonging to the Agricultural College, "in stocks of the United States or of this State, or in some other safe stocks, yielding not less than five per centum per annum on the par value of said stocks." Accordingly the same was invested in bonds of the State, as far as such bonds were obtainable at par, and the balance was invested in stock of the city of Baltimore. Thirty bonds of the Deaf and Dumb Asylum Loan, of this State, of five hundred dollars each, were purchased for this purpose, amounting to \$15,000.00, and the balance invested in stock of the city of Baltimore, bearing interest at six per cent. per annum, and purchased as 95½ per cent., amounting to \$88,800.00. The said State bonds and certificate of stock of the city of Baltimore are now held by the Treasurer for the benefit of the Maryland Agricultural College. By this reinvestment, an increase of the fund has been effected to the amount of \$3,800.00.

MARYLAND PENITENTIARY.

For the first time since its foundation, as is believed, the Maryland Penitentiary has only drawn a very small portion of the appropriation made for its benefit for the last year, and has since paid into the Treasury the surplus of its receipts, over expenditures, amounting to \$5,638.42. This is a most satisfactory result, and reflects especial credit on the officers conducting the business of that institution.

NEW ASSESSMENT.

The last assessment of property throughout the State, is complained of as imperfect, having been made at a period so near the close of the civil war, that a normal condition of values could hardly be said to exist at that time. I suggest that the General Assembly take into consideration the propriety of a new assessment, with a view to the equalization of the basis of taxation, and making it conform more perfectly to existing valuations.

Although very large amounts are due the State from National Banks, Railroad Companies, and from taxes on coal mining corporations, as well as from collectors and other officers, the available resources of