

The Treasury is in a sound and healthy condition, notwithstanding the continued falling off of receipts from the Susquehanna and Tidewater Canal Company, the Chesapeake and Delaware Canal Company, the Columbia and Port Deposit Railroad Company, the Bohemia Bridge Company, and its large amount of unproductive assets, classed in "Statement I"; and unless large extraordinary demands upon it are made no extraordinary relief will be needed.

As an offset to any future necessities, should they arise, the Treasury holds the bonds of the Baltimore and Ohio Railroad Company, amounting to \$366,000, and yielding 6 per cent. interest, which can be made available at not less than par under the Act of 1878, chap. 238. These are the bonds that were obtained in the settlement authorized by the Act of 1878, chap. 155, and made with that Company, of its indebtedness on account of former sources of revenue.

Much good would be accomplished and great relief afforded to tax-payers if the area of taxation were extended and property and wealth, in whatever shape or form or substance they may be put, except perhaps in charity or religion within a prescribed limit, were subjected alike to the burden. As long as exemptions are made, superabundant and inactive wealth will seek investment in those securities which are exempt, and to that extent escape taxation. If obligations to pay ought not to contribute to the support of the government, then let those who give, and not those who hold these obligations escape. Not until every person holding property shall be required to go once a year to the assessor to be taxed according to his actual worth, will taxation be equalized and its burdens be imposed so as to fall lightly on the many rather than heavily on the few.

Full exhibits of all the operations of the Treasury Department during the fiscal year are set forth in the statements and tables in the Appendices. The Index at the end will afford a ready reference to them.

Respectfully submitted,

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Comptroller.