

thereof, \$6,693,849.72, leaving the net debt of the State at the close of the fiscal year to be \$3,735,076.41. A conservative valuation, however, upon the State's holdings in the stock of the Annapolis Water Company, Farmers National Bank of Annapolis and the annuity of the Northern Central Railway Company, would rather place those securities nearer to \$2,325,000.00 than the price at which they are carried, viz: \$1,576,470.

In said Statement "J" you will observe that the Consolidated Loan of 1899, aggregating \$3,253,926.13, as authorized by Chapter 219 of the Acts of 1898, matures in 1914, January 1st. There is now to the credit of this loan in its sinking fund, bonds amounting to \$2,958,229.72 so that the sinking fund securities will virtually carry this loan to maturity. It will be necessary, however, that provision be made to exchange the State's bonds of other loans held in this fund by refunding the debt to this extent and transferring these State Bonds to their respective sinking funds.

#### NEW ASSESSMENT.

In Statement "K" you will find the assessed value of property for State Levy for 1911, together with the State Tax of 22 cents on each \$100, the former aggregating \$951,926,271, and the tax producing \$2,094,237.80. The new assessment of 1910 increased the basis from \$836,665,067, in 1910, to \$951,926,271, in 1911, or an increase of \$115,261,204, despite the fact that several counties, viz: Garrett, Kent, Cecil and Talbot levied and collected the 1911 levy on the old basis of assessment. Therefore, those counties do not show the new basis, but the old. Had those counties completed their assessment as required by law, the present basis would be much larger, and the State and counties would have derived the benefits accruing therefrom. Such a course was not fair or equitable to the other counties and the local taxing authorities of such delinquents are guilty of gross laches in not being more expeditious in the performance of their duties.

To show how the State has developed in material prosperity, I beg to submit herewith a statement giving the assessable basis