

The Bonded Debt was.....	169,744,000.00
Bonds authorized but not yet issued.....	107,568,917.00
The Cash Balance in the Annuity Bond Fund was.....	7,956,259.54
The State tax rate for the taxable (calendar) year 1956 is.....	10.90 cents

I feel it in order to say something regarding the increased activity in our Income Tax Division because of the amendments made to our Income Tax Law to require withholding of tax by employers and the filing of declarations of estimated tax in the case of income not subject to withholding. These amendments have been very helpful in the administration of the law. It has been quite a job to supplement the personnel and facilities of the Income Tax Division to take care of the increase in the volume of work occasioned by the amendments, but I believe that we have succeeded in doing this with a minimum of inconvenience to the taxpayer. Included in the additional work is the item of refunds to taxpayers where withholding and payments on an estimated basis caused overpayments. Refunds have been paid to more than 150,000 taxpayers, and I am sure you will realize this is quite an item in itself.

Our License Bureau has had to absorb the administration of the Unfair Cigarette Sales Act passed at the 1956 Session of the General Assembly, and while there was quite a volume of work involved in seeing that all persons engaged in the business of selling cigarettes, both at wholesale and retail, obtained the required licenses, we were able to accomplish this work with but little inconvenience to the persons engaged in the business of selling cigarettes. We have had to do quite a bit of investigating work up to this time but the amount done has necessarily been limited because of the relatively small personnel of the Bureau. A considerable amount of work remains to be done, and it will doubtless require a year or so until all sections of the State have been visited by our investigators. The work is not limited to seeing that all persons selling cigarettes have the required licenses, but also that the prices at which they are selling cigarettes are in conformity with the law.

As the business of the State has increased, the work of the Comptroller's Office has grown proportionately. We have endeavored to keep pace with this growth and have availed ourselves of the benefits to be received from improved methods of mechanized accounting, etc.

The statements which follow have been prepared with the object in mind of furnishing as complete a report of the fiscal activities of the State as possible, and I trust they will prove interesting and informative to you. Please feel at liberty to call on me at any time for any information you may want regarding our report or any matters relating to the operation of the Comptroller's Office.

Respectfully submitted,



Comptroller.