

Loan of 1891 was being issued, that they would not be compelled to issue any more of said loan. The General Assembly of 1892, therefore, upon the recommendation of the Treasury Officers passed an Act (Chapter 96,) authorizing such use of the sum of \$202,645.71 of the amount received from the General Government as the refunded Direct Tax and forbidding the issuance of any more of the Exchange Loan of 1891. This Act also directed that the balance of the said Direct Tax should be invested for the use of the General Sinking Fund, which has been done.

The reduction of the State debt was accomplished by the destruction, by a Committee of the Legislature, of \$1,242,300.00 of the Exchange Loan Bonds of 1889, and \$500,000.00 of the Treasury Relief Loan Bonds held by the several Sinking Funds, and by the Treasury Officers calling in for redemption the balance of the over-due debt amounting to \$394,356.28, all of which has been redeemed except \$13,484.41 which has not yet been presented, but the interest on same has ceased, and payment will be made upon presentation.

Deduct from the gross debt the value of the productive stocks held by the State, and the Cash and Stocks held on account of the Sinking Funds, and the net debt will be found to be \$3,082,286.35. But it is worthy of note that the productive Stocks, with a single exception, held by the State, have a market value greatly in excess of their par value, and if a statement was prepared placing the State securities at their market value, this net debt would be decreased by more than one half.

Chapter 310 of the Acts of 1892, authorized the Board of Public Works to sell all the State's Stocks, except the Stock of the Washington Branch of the Baltimore and Ohio Railroad, but the Board has not as yet disposed of any of them, for the reason that it is impossible to secure any of the State's Bonds in which to invest the proceeds, except at a very large bonus. It should be a matter of pride to the citizens of this State to know that our Bonds are so highly esteemed by investors.

ASSESSMENT OF REAL AND PERSONAL PROPERTY.

Statement "K" shows the assessment of the real and personal property in the several Counties and City of Baltimore for the fiscal year 1892, the aggregate of which is \$515,137,528.00, being greater than that of 1891 by \$5,134,451.00.

A comparison of the assessable basis for the past four years shows a very gratifying increase, to wit:

1889.....	\$477,398,380.00
1890.....	482,184,824.00
1891.....	510,003,077.00
1892.....	515,137,528.00

This increase is due to the efforts of the tax authorities in some parts of State to assess annually the natural increment of personal property. And I am satisfied if equal diligence was exerted all over the State the increase would be even more