

REPORT
OF THE
COMPTROLLER OF THE TREASURY
OF THE
STATE OF MARYLAND

December 27th, 1934.

To the Honorable,

The General Assembly of Maryland:

Section 9 of Article 19 of the Annotated Code of Maryland directs that the Comptroller of the Treasury submit an annual report of the fiscal affairs of the State, and in accordance therewith I present for your consideration report for the fiscal year ending September 30, 1934.

In doing so it is most necessary that I direct your attention to important changes that have taken place during the fiscal year just closed, pertaining to the State's financial condition. At the beginning of the fiscal year, October 1st, 1933, the State was possessed of an operating surplus of \$1,680,316.99. For the year just closed, September 30th, 1934, this surplus had been reduced to \$156,877.97, as shown by Statement "C" of this report.

This decrease in the operating surplus, in my opinion, is due to the economic depression through which the country has been passing, and which was not felt in Maryland until the fiscal year which has just closed. In 1932, prior to the passage of the Budget in the 1933 Session, conservative estimates of revenues were prepared, as shown by Statement "P," Page 45, of the Comptroller's Report for 1932, and revised in the Comptroller's Report for the year 1933, as shown by Statement "P," Page 45. Many of the principal items failed to produce the estimated revenue for the fiscal year ended September 30th, 1934, thus bringing about a great decrease in operating surplus.

Starting with the fiscal year 1935, beginning October 1st, 1934, and basing our calculations upon recent experiences, it is our opinion that the entire surplus of \$156,877.97, as of September 30th, 1934, will be wiped out and a deficit of \$2,229,000 will develop by the end of the fiscal year, September 30th, 1935.