

developed to satisfy me that my successor will have it in his power to lay before the Legislature at its next session, such conclusive evidence of the soundness of that policy as to justify a still further reduction of the direct tax, or a repeal of some of the more obnoxious revenue laws. It may also be worthy of consideration, that the Treasury has sustained unusual burdens for the last three years. Amongst others may be mentioned the expenditure of upwards of three hundred thousand dollars on account of the expenses of the Constitutional Convention and of the last two sessions of the General Assembly. That sum would pay the cost of five ordinary sessions, limited as they will hereafter be to less than seventy days each; and five sessions, under the biennial system, will extend over a period of ten years. Besides the actual expense of a session of the General Assembly, an allowance must also be made for the incidental appropriations which always attend it.

In my last Annual Message, from the very uncertain information which I had obtained, I estimated the increase of the new over the old assessment at not less than forty millions of dollars. The gross amount of the new taxable basis is \$261,243,660, which would appear to exhibit an increase of \$68,462,081, over the assessment of 1852. The actual increase, however, (making allowance for that part upon which the tax is payable directly into the Treasury) amounts to \$49,667,825. Whilst the basis has thus been enlarged, the reduction in the rate of taxation has nevertheless produced a practical relief to the great body of the tax payers, because the increase has resulted from the augmentation of personal and the appreciation of real estate, not estimated in the old assessment.

The masses of the people, who were heretofore taxed to the full value of their possessions at the rate of twenty five cents in the one hundred dollars, will henceforth pay forty percent, less; whereas those, the increments of whose property are now for the first time brought within the reach of the revenue laws, may perhaps pay as much in the aggregate as they did formerly. I remarked in my first Annual Message, when recommending the re-assessment of the property of the State, that one result of that measure would be, to add considerably to the taxable basis, and another, to distribute more equally the burdens of taxation. I have no doubt that such has been the case.

At the close of the fiscal year, 1852, the Sinking Fund amounted to \$2,728,076.61; and on the 30th of November last to \$2,922,752.87, showing an increase for the year of \$194,676.26. It is now a little over three millions of dollars.

Such are the gratifying results of the financial operations