

1st. The amount of the annuity constituted the third year, which will have been liberated by reimbursement of the third loan.

2d. The arrears of interest not previously appropriated, and which are computed at 200,000 dollars. There will consequently be a deficiency this year of 810,661 dollars and 27 cents, which will require to be supplied by a temporary loan to be reimbursed out of the surplus of the fund which on the 1st day of January 1802 will exist for future redemptions, and which surplus will be sufficient to reimburse this temporary loan in about thirteen years and an half.

It may be proper to remark, that this deficiency upon one year, is suffered to exist to avoid an unnecessary augmentation of revenue, materially beyond the sum permanently requisite. No inconvenience ensues, because this temporary deficiency is made up by the surplus of the permanent fund, within the period mentioned. And that fund, from the 1st January 1802, is adequate to all future redemptions, in the full proportion permitted by the contract.

The table in the schedule B, herewith submitted, will shew in one view the principles and operation of this plan.

The schedule C will exhibit the means of constituting the several annuities proposed to be established. From it, will be seen, that the proposed annuities are to be composed, partly of taxes to be successively laid, at the respective periods of creating them, partly of the surplus dividend to be expected on the stock belonging to the government, in the bank of the United States, beyond the interest to be paid on account of it, and partly of the funds heretofore pledged for the payment of interest, which will have been liberated upon so much of the debt, as will have been extinguished.

The respective amounts of the taxes to be severally laid, will be:—In the first year 43,199 dollars and 6 cents; in the second year 109,391 dollars and 60 cents; in the third year 115,955 dollars and 17 cents; in the fourth year 102,912 dollars and 48 cents; in the fifth year 102,743 dollars and 12 cents; in the sixth year 107,680 dollars and 20 cents; in the seventh year 109,649 dollars and 32 cents; making together 691,530 dollars and 95 cents.

The sum which will have been redeemed prior to the first day of January 1802, will be 5,443,607 dollars and 37 cents. The sum redeemable on the first of January 1802, will be 1,126,616 dollars and 44 cents; and the fund which will thenceforth exist for the purpose of future redemption, (as is particularly shewn by the schedule D.) will be 1,210,744 dollars and 34 cents, exceeding the sum strictly necessary by 84,127 dollars and 90 cents—a fund, which, including the interest from year to year liberated, will, as already intimated, be completely adequate to the final redemption of the whole amount of the 6 per cent. stock, (as well the deferred as that bearing a present interest) according to the right which has been reserved for that purpose.

In the mean time, a further impression will be made upon the debt by the investment of the residue of the funds heretofore established, in the purchase of it; and it is hoped, that the restoration of peace with the Indians will enable the application of the surplus of the existing revenues, together with the proceeds of the ceded lands in our Western Territory, to the same object. These, whenever they can be brought into action, will be important aids, materially accelerating the ultimate redemption of the entire debt. The employment of these resources, when it can be done by increasing the interest-fund, will proportionably lessen the necessity of using the resource of taxation for creating the proposed annuities, if the government shall judge it advisable to avail itself of the substitute, which may accrue from that circumstance.

Having now given a general view of the plan, which has appeared upon the whole the most eligible, it is necessary in the next place, to present to the consideration of the House the requisite funds for commencing the execution of it. These will embrace a provision for the first annuity only; that alone requiring, by the plan, immediate provision. With regard to a provision for the subsequent annuities, which is proposed to be successive, the Secretary will content himself with this general observation, that he discerns no intrinsic difficulty in making provision for

them, as far as shall be necessary, with due convenience to the people, and consistently with the idea of abstaining from taxing lands and buildings (with the stock and implements of farms) reserving them as a resource for those great emergencies, which call for a full exertion of all the contributive faculties of a country.

The following means for constituting the first annuity, are respectfully submitted, viz.

Annual surplus of the dividend on the stock of government in the bank of the United States, beyond the interest to be paid out of the said dividend, estimated at *Dollars 60,000*

Tax on horses, kept or used for the purpose of riding or of drawing any coach, chariot, phaeton, chaise, chair, sulkey, or other carriage for conveyance of persons—

Excepting and exempting all horses which are usually and chiefly employed for the purposes of husbandry, or in drawing waggons, wains, drays, carts, or other carriages for the transportation of produce, goods, merchandize, commodities, or in carrying burthens in the course of the trade or occupation of the persons to whom they respectively belong, and the horses of persons in the military service of the United States, viz.

For every horse not above excepted or exempted, at the rate of one dollar per annum, where only one is used or kept by the same person; with an addition of fifty cents per annum, per horse, where more than one and not more than two horses are kept or used by the same person—with an addition of one dollar per annum, per horse, where more than two, and not more than four, are kept or used by the same person—and with an addition of one dollar and a half dollar, per horse; per annum, where more than four are kept or used by the same person.

Provided, that this addition shall not be made in respect to horses usually employed in public stages, for the conveyance of passengers.

This progressive increase of rates on the higher numbers, has reference to the presumption of greater wealth which arises from the possession of such higher numbers.

The product of this tax will probably be about equal to the residue of the proposed annuity, which is 43,199 dollars and 6 cents. How near the truth this estimate may prove, experiment alone can, in so untried a case, decide. An aid to this fund may be derived from the surplus dividend on the bank stock, for the half year ending the last of December next, which, it is presumed, will not be less than 20,000 dollars. Should a deficiency appear, upon trial, it can be supplied by a future provision. Proper regulations for the collection of this tax, will, it is believed be found not difficult, if the tax itself shall be deemed eligible. Its simplicity has been a considerable recommendation of it. Qualified, as it is, it is not likely to fall on any but such who can afford to pay it. The exemption from the tax, in regard to horses which are appropriated to the purposes of husbandry, or of any trade or occupation, or to the transportation of commodities, seems to obviate all reasonable objection.

If, however, there should appear to the legislature, reasons for preferring a tax on carriages for pleasure, which, it may be observed, will operate on nearly the same description of persons, the sum required may, it is believed, be produced from the following arrangement of rates, viz. Upon every coach, the annual sum of four dollars—Upon every chariot, the annual sum of three dollars—Upon every other carriage for the conveyance of persons, having four wheels, the annual sum of two dollars—and upon every chair, sulkey, or other carriage for the conveyance of persons, having less than four wheels, the annual sum of one dollar.

The collection of this tax will be as simple and easy, and perhaps more certain, than that which has been primarily submitted.

With regard to the second object referred to the Secretary, namely the plan of a provision for the reimbursement of the loan made of the bank of the United States, pursuant to the XIth section of the act by which it is incorporated, the following is respectfully submitted, to wit, That power be given by law to borrow the sum due, to be applied to that reimbursement; and that so much of the dividend on the stock of the government in the bank as may be necessary, be appro-

priated for paying the interest of the sum to be borrowed.

From this operation, it is obvious, that a saving to the government will result, equal to the difference between the interest which will be payable on the new loan and that which is payable on the sum now due to the bank.

If the proposed loan can be effected, at the rate of those last made in Holland, the nett saving to the government may be computed at the annual sum of 35,000 dollars; which saving, whatever it may be, is contemplated as part of the means for constituting the proposed annuities.

The benefit of this arrangement will be accelerated, if provision be made for the application of the proceeds of any loans heretofore obtained to the payment suggested, on the condition of replacing

the sums which may be so applied, out of the proceeds of the loan or loans, which shall be made pursuant to the power above proposed to be given.

It will also conduce to the general end in view, if the Legislature shall think proper to authorize the investment of the funds destined for purchases of the debt, in purchases of 6 per cent. stock, at the market price, though above par. The comparative prices of the several kinds of stock have been and frequently may be such, as to render it more profitable to make investments in the 6 per cent, than in any other species of stock.

All which is humbly submitted,  
ALEXANDER HAMILTON,  
SECRETARY OF THE TREASURY.  
Treasury Department,  
Nov. 30, 1792.

PRICE CURRENT.		Dls. Cts. Dls. Cts.	
PER QUANTITY.—DOLLARS 100 Cents each.			
PHILADELPHIA, DECEMBER 12.			
ANCHORS pr. lb.	7	10	
Allum, English, pr. cwt.	4	33	
Ditto, Roch pr. lb.		18	
Ashes, pot, per ton,		120	
—Pearl,	137	140	7
Arrack pr. gall.	1	33	16
Brandy, common,		90	
—Cognac,	1	11	
Braziletto, pr. ton.		32	34
Bricks, pr. M.	4	7	
Bread, ship, pr. cwt.	1	67	2
Ditto, pilot		3	67
Ditto, small water, per keg		36	40
Beer, American, in bottles,		1	40
pr. doz. bottles included,		4	67
Ditto pr. barrel,		20	
Boards Cedar pr. M feet,		12	
—New England,	12	14	
—Oak,	14	16	
—Merchantable pine	20	24	
—Sap, do.	12	13	
—Mahogany, per foot		10	
The above are the shallop prices,			
for the yard price, add 1 dol-			
lar 33 cents per 1000.			
Brimstone in rolls, pr. cwt.		2	67
Beef, Boston, per barrel	7	8	
—Country ditto	6	7	
—Fresh, per cwt.	3	33	4
Butter pr. lb.		16	
—in kegs	9	10	
Candles, Sperm. pr. lb.		43	
—Wax	53	56	
—Myrtle Wax		13	
—Mould, tallow		11	
—Dipped		10	
Cheese, English, pr. lb.		19	
—Country	8	10	
Chocolate	18	20	
Cinnamon	2	40	2
Cloves		1	32
Cocoa pr. cwt.		16	
Coffee pr. lb.	17	18	
Coal pr. bushel	20	22	
Copperas pr. cwt.		1	67
Cordage, American, per cwt.	7	67	8
Cotton pr. lb.		27	
Currants		11	33
Duck, Russia, pr. piece		8	93
—Ravens	18	20	
Dutch sail duck,		48	
Feathers pr. lb.		11	
Flax ditto	90	90	
Flaxseed pr. bush.		5	67
Flour Superfine pr. barrel		5	33
—Common,		5	33
—Bur middlings, best		4	67
—Meal, Indian		3	
—ditto Rye,		3	
—Ship-stuff pr. cwt.	20	1	
Fustic pr. ton,		20	
Gin, Holland, pr. case,		4	66
Do. pr. gall.	80	90	
Glue, pr. cwt.	20	21	33
Ginger, white race, per lb.		7	
Ditto, common		7	
Ditto, ground pr. lb.		10	
Gunpowder,	20	24	
Gunpowder, cannon, pr. q. cask,	3	73	4
Ditto, fine glazed		4	
Grain, Wheat pr. bush		1	20
—Rye		66	
—Oats		35	
—Indian corn		60	
—Barley	1	1	6
—Best shelled pr. lb.		7	
—Buckwheat, per bush.		30	
Hemp, imported, pr. ton,	120	146	67
American, pr. lb.		4	
Herrings, pr. bbl.		3	
Hides, raw pr. lb.	9	11	
Hops		27	
Hoghead hoops, pr. M.		15	
Indigo, French per lb.	1	20	1
—Carolina	1	20	
Irons, sad pr. ton,		183	33
Iron, Castings pr. cwt.	3	4	
—Bar pr. ton,		91	
—Pig	24	26	67
—Sheet		173	33
—Nail rods	110	111	
Junk, pr. cwt.		4	
Lard, hogs pr. lb.		9	
Lead, in pigs pr. cwt.	5	33	5
—in bars		7	
—white	10	10	67
—red	6	40	6
Leather, soal, pr. lb.		17	
Lignum vitæ pr. ton,		5	60
Logwood		30	
Mace pr. lb.		9	
Mackarel, best pr. bbl.		8	
—second quality	6	4	
Madder, best pr. lb.		16	
Marble, wrought, pr. foot,	1	33	2
—ditto		33	
Molasses pr. gall.		49	54
Mustard per. lb.			87
Oil, Ditto pr. case			2
—Sweet, best, in flasks, pr. box			10
—Ditto baskets, 12 bottles			5
—Spermaceti pr. gall.			48
—Train			24
—Whale			22
Porter pr. cask,			5
—London, pr. doz.			1
—American ditto bot. incl.	1	4	1
Pitch, pr. bbl.		1	73
Pork, Burlington, per barrel,			11
—Lower county			10
—Carolina			9
Peas, Albany pr. bushel			73
Pepper, pr. lb.			38
Pimento			19
Raisins, best, pr. keg			8
Ditto pr. jar			2
Ditto pr. box			2
Rice pr. cwt.			3
Rosin pr. barrel			2
Rum, Jamaica, pr. gallon			1
—Antigua			1
—Windward			86
—Barbadoes			80
—Country, N. E.			67
Salt petre, pr. cwt.			24
Saffiras pr. ton			6
Shot ditto			140
Steel, German pr. lb.			9
—English, blistered, pr. cwt.			10
—American pr. ton			113
—Crowley's pr. faggot			10
Snake root pr. lb.			20
Soap, Brown per lb.			6
—White			8
—Castile			11
Starch			7
Snuff pr. doz. bot.			4
Spermaceti, refined, pr. lb.			5
Sailcloth, English, No. 1, pr. yard,			28
—Boston, No. I. ditto			30
—No. II.			29
Sugar Lump, pr. lb.			24
—Loaf, single refined			25
—Ditto, double do.			30
—Havannah, white			17
—Ditto, brown,			11
—Muscovado, pr. cwt.			13
Spirits Turpentine pr. gallon			37
Salt, Allum pr. bushel			54
—Liverpool			54
—Cadiz			50
—Lisbon			56
Ship build. W. O. frames p. ton,			15
Ditto Live Oak,			18
Ditto red cedar, per foot			33
Shingles, 18 inch. per M.			3
Ditto 2 feet,			5
Ditto 3 feet, dressed,			13
Staves, Pipe pr. 1000			32
—White Oak hoghead,			20
—Red Oak do.			19
—Leogan			21
—Barrel			16
—Heading			25
Skins, Otter, best pr. piece			4
—Minks			20
—Fox, grey			40
—Ditto red			1
—Martins			24
—Fishers			23
—Bears			3
—Racoons			27
—Muskrats			11
—Beaver, pr. lb.			67
—Deer, in hair			20
Tar, N. Jersey, 24 gal. p. bbl.			1
—Carolina, 32 gall.			1
Turpentine pr. bbl.			1
Tobacco, J. River, best 100lb.			3
—inferior			3
—old			4
—Rappahannock			3
—Coloured Maryland,			5
—Dark,			2
—Long-leaf			2
—Eastern-shore			2
—Carolina, new			2
—old,			3
Tea, Hyson pr. lb.			93
—Hyson skin,			53
—Souchong,			50
—Congo,			43
—Bohea,			33
Tallow, refined, per lb.			9
Tin pr. box,			13
Verdigrease pr. lb.			47
Vermillion, do.			1
Varnish, per gallon			33
Wax, Bees pr. lb.			25
Whale-bone, long pr. lb.			13

COURSE OF EXCHANGE.

On London, at 30 days, per 100l. sterl.	440
— at 60 days	437
— at 90 days	434
Amsterdam, 60 days, pr. guilder,	38
— 90 days,	37