13th Congress.]

No. 423.

[3d Session.

STATE OF THE FINANCES.

COMMUNICATED TO THE HOUSE OF REPRESENTATIVES, OCTOBER 10, 1814.

MR. EPPES, from the Committee of Ways and Means, to whom was referred so much of the message of the President of the United States as relates to the finances, made the following report:

That taxes, loans, and treasury notes, appear to be the resources on which we must rely for carrying on the war. The product of the first cannot be commanded in time to meet the immediate demands on the treasury. A reliance on loans, in the present situation of this country, would be uncertain, and the terms on which they could be obtained, not such as to induce a resort to them at the present moment. Treasury notes, combined with a system of taxation, more extended than the one heretofore adopted, will, it is believed, in the present state of bank credit, be found to be a much better resource. The want of some medium which, resting on a firm and solid basis, may unite public confidence, and have a general, instead of local circulation, is now universally acknowledged. The stoppage of specie payments, by the principal banks of the Middle States, has embarrassed greatly the operations of the treasury, and, by confining the circulation of notes to the limits of the States within which they are issued, has deprived the Government of all the facilities, in the remittance of money, which was afforded, while public confidence gave to bank notes a general circulation. The notes of New York and Philadelphia, will not be received in Bos-ton. The notes of Baltimore, or of the District of Columbia, will not answer for payments in Philadelphia. If by any new modification, treasury notes could be made to answer the purposes of a circulating medium, between the different States, they would greatly facilitate the operations of the Government, and free from embarrassment the transactions of individuals. To secure their circulation, it would be necessary: 1st. To issue the notes in sums suf-ficiently small for the ordinary purposes of society. 2d. To allow the individual who holds them, to fund them at pleasure, at any of the loan offices, and to receive their amount in stock of the United States, bearing an interest of eight per cent. 3d. To make them payable to bearer, and transferable by delivery. 4th. To make them receivable in all payments for public lands, and taxes. 5th. To pledge, for the payment of the interest on the amount issued, so much of the internal duties as shall be necessary. To prevent an accumulation of circulating medium, the United States to retain the power, on giving six month's notice, of redeeming them with specie, or exchanging for them stock, bearing an interest of eight per cent. If these provisions are adopted, and taxes imposed, which shall manifest clearly the ability of the Government to meet its engagements, our present difficulties will vanish, confidence be restored, and the capital horded by avarice, or locked up from timidity, will be again restored to the accustomed channels of circulation. In presenting additional objects of taxation, care has been taken to select such as will bear equally on every portion of the community. In Europe, the price of agricultural products is not materially affected by a state of war. The produce of the earth is there consumed within the country, in peace and in war. The situation of the United States is totally different; with an extensive and fertile country, and a small population, compared to the extent of our territory, we have annually a large surplus to export to foreign markets, over and above what is necessary for consumption; on the export of this surplus, which is cut off by war, depends, in a great de-gree, the ability of the farmer to meet taxes. While, however, war depresses the agricultural interest, it gives vigor to various manufactures. By destroying all foreign competition, the war has brought many of these manufactures to a state of perfection, which will secure their successful prosecution, even after peace shall be restored. In times of real difficulty and danger, we must appeal to the patriotism of every class of our citizens. These establishments, under the fostering hand of the Government, have grown to maturity, and will not hesitate to bear with the agricultural interest, their portion of the taxes necessary to maintain, unimpaired, that character for punctuality and good faith, for which the American Government has heretofore been distinguished. Several of these manufactures have been selected as proper subjects of taxation, and it is proposed to unite with the taxes, a pledge of the public faith, for the continuance of the double duties, until the tax shall be repealed. The committee deem it unnecessary, at present, to present any view of the expenditures for the next year, reserving a report on that subject, until the estimates from the treasury shall be forwarded. Confining, therefore, this report to the additional taxes necessary for the support of the public credit, they submit the following resolutions:

1. Resolved, That it is expedient to continue the direct tax, and to increase the same fifty per cent. 2. Resolved, That it is expedient to increase the duty on spirits distilled, by an additional duty of twelve and an half cents on the gallon.

3. Resolved, That it is expedient to add one hundred per cent. to the present duty on sales at auction. 4. Resolved, That it is expedient to add fifty per cent. to the present duty on the conveyance of papers and letters.

5. Resolved, That it is expedient to impose a duty on the following articles, viz: manufactured tobacco and snuff. in the hands of the manufacturer, candles of tallow and spermaceti, hats, cotton yarn, spun by the aid of machinein the hands of the manufacturer, candles of tanow and spermaced, nats, cotton yarn, spun by the aid of machine-ry, worked by steam or water, leather, pig iron, castings, bar, rolled, and slit iron, and on nails made by the aid of machinery. On furniture above a certain value, except beds, bedding, and articles of domestic manufacture, in the hands of the owner; beer, ale and porter, in the hands of the manufacturer; boots and shoes, above a certain price, in the hands of the manufacturer; on plated harness, in the hands of the owner; on vats, for the manufacture of paper; on saddles and bridles, above a certain price, in the hands of the manufacturer; on gold and silver watches, in the hands of the owner; on pleasure horses, kept exclusively for the saddle or carriage; on playing cards, and on lotteries. Estimate of the amount of the proposed increase, and of the new duties:

Fifty per cent. on the direct tax,	-	-	~	-		-	-	-	-	\$1,500,000
Additional duty on distilled spirits,	-	-	-	-	•	-	-	-	-	3,000,000
One hundred per cent. on the present a	uction	duties,		-	-	-	-	-	-	150,000
Ffty per cent. on postage, -	-	-	-		. =	-	-		-	250,000
Manufactured tobacco, and snuff, 10,00			i, aver	aged at	four ce	nts,	-	-	-	400,000
Candles, of tallow, 6,000,000 pounds,			-	-	-	-	-	-	-	120,000
Spermaceti, and white wax, 400,000 po	ounds, a	it ten ce	nts,	-	-	-	-	-	-	40,000
Hats, on beaver, one dollar, castors, se	venty-1	ive cent	s, and	rorums,	, twenty	i-tive c	ents, pa	yable by	7	·
manufacturers,	• .	-	-	-	- ′		-		-	600,000
Cotton yarn, spun by aid of machinery,	worke	ed by ste	am or	water, 4	00,000	spindle	s, at tw	enty-five	;	-
cents,		-	-,	-	-	-	、 -		-	100,000
Leather, soal, neats, harness, calf, hors	e and h	og, kip a	and sea	al skin,	18,000,9	000 pou	nds, ave	eraged at		
three cents,		-					-	-	-	540,000
Goat and sheep skins, tanned with sh	oemack	c, or oth	erwise	e to rese	mble h	spaņish	leather	, at fifty	r	
cents the dozen, and all other ski	ins tan	ned or o	tressed	i with a	ilium, a	average	d at thi	ree cents	5	
per pound,	-	-	-	-	-	, ``	-	-	-	60,000
Iron, 300,000 tons pig, at one dollar,	-	-	-	-	-	-	-	-	-	300,000
100,000 tons of castings, at one do	llar an	d fifty c	ents,	-	-	-	-	-	-	150,000
100,000 tons of bar, rolled and sli	t, at on	e dollar	7	-	-	-	-	-	-	100,000
On beer, ale and porter, 6,000,000 gallo	ns, at o	one cent	,	-	-	-	-	-	-	60,000

Furniture tax, excluding beds, bedding, kitchen furniture, carpets, and curtains of domestic man- ufacture, and family pictures, and excluding also from the operation of the tax, every person whose furniture, exclusive of the above articles, does not amount to two hundred dollars. The estimate is made on a supposition that the United States contains 800,000 families. Families exempt, as possessing less than two hundred dollars worth of										
furniture, -			••	-	-	259.000) exempt.			
Possessing between	200 and	400 dolla	irs.	-	-	300,000		•_	-	\$300,000
	400 and	600 dolla		-	-	100,000			_	150,000
	600 and 1			-	-	75,000		11104 192 - 1	_	225,000
	1,000 and 1	1.500 doll	ars.	-	-	25,000			-	150,000
	1,500 and 2	2.000 dolla	ars.	-	-	15,000			_	150,000
	2,000 and 3	100 dolla	urs.	_	-	10,000			_	170,000
	3,000 and 4			-	-	10,000			_	280,000
	4,000 and 6				-	10,000				450,000
	6,000 and 9			-	-	5,000			-	375,000
Above		,000 dolla		-	-		100 dollar		_	10,000
Boots, white top and full	l dress militar	v boots. 1	00.000 1	oair. at :	seventy	-five cent	ts	-	_	75,000
Other boots, or bootees,	of the value	of eight do	ollars. 2	50.000 n	air, at f	ifty cents	s	-		125,000
Boots, or bootees, not l	less than five	dollars in	value.	and n	ot excee	ding eig	ht. 500.000	nair, at		120,000
twenty-five cents,		-		_	_			Pang at	-	125,000
Fine shoes, above the va	alue of one dol	llår sevent	tv-five c	ents. 1.	000.000	pair. at	ten cents.	-		100,000
Plated harness, in the h	ands of the ov	wners, 50,	000 pair	r. at two	o dollars				-	100,000
On the manufacture of p	aper. on vats	exclusive	v emplo	ved in	making	white pai	per, fifty do	llars: on		100,000
On the manufacture of paper, on vats exclusively employed in making white paper, fifty dollars; on vats employed in making part white, and part brown, thirty dollars; on vats exclusively em-										
ployed in making br	own paper, fif	teen dolla	rs.		-			-	~	30,000
On nails, made by the a	uid of machine	erv. 20.00	0.000. a	t one ce	ent.		• -	-	-	200,000
On nails, made by the aid of machinery, 20,000,000, at one cent,									200,000	
and above the value	of fifteen doll	ars, one d	ollar.	~	~		-	-	, 	100,000
On bridles, of less value	than two dol	lars, ten	cents:	two doll	ars, and	l under	five. twen	ty cents:	•	100,000
five dollars, and une	der ten. forty	cents: abo	we ten d	lollars.	one dol	lar	-	-	-	100,000
Pleasure horses, kept ex	clusively for	the saddle	e. one d	ollar: h	orses ke	ept éxclu	sively for	the car-		100,000
riage, one dollar and	l fifty cents.	-	-	-	-				-	150,000
Gold watches, 250,000,		3.	-	-	-			-	-	500,000
Silver watches, 250,000,			-	-	-			-	-	250,000
Playing cards, 400,000 p	acks. at twent	tỳ-five cei	nts.	-	-		-	-	-	100,000
Lotteries, a per cent. on			,	-	-		· -	-	-	50,000
,										00,000
										11,635,000
Add the revenue for 181	5, as estimate	ed by the	Secreta	ry of the	Treasu	ır y. -	. –	-	-	10,800,000
				-		• ;				
Makes for 1815, a reven	ue of -	-	-	-	- °			-		\$22,435,000
									_	

13th CONGRESS.]

No. 424.

[3d Session.

DIRECT TAX AND INTERNAL DUTIES.

COMMUNICATED TO THE HOUSE OF REPRESENTATIVES, OCTOBER 15, 1814.

TREASURY DEPARTMENT, October 13, 1814.

In obedience to the resolutions of the House of Representatives, of the 10th instant, I have the honor to transmit the accompanying statements.

In compliance with the first resolution, the statement A is rendered, showing the amount of the valuations of lands, dwelling houses, and slaves, and the assessments founded upon them, as made under the acts of July 22d, and August 2d, 1813, so far as returns have been received at the treasury.

The statement B furnishes, as far as the materials existing at the treasury admit, the information required by the second resolution. In the collection districts in regard to which no information is given, either the assessment is not ascertained to have been completed, or has been so recently completed, as to have allowed little time for collecting the tax. The sums annexed to those districts in which the collection is completed, or in progress, are the amounts ascertained to have been received by the collectors. As the returns of the collectors, made in the month of September, have been but partially received, and, as in that month, the collections appear to have been made with great activity, a much larger aggregate amount than that stated, is believed to have been received. The statement C furnishes, as far as the accounts rendered admit, the information required by the third resolu-

The statement C furnishes, as far as the accounts rendered admit, the information required by the third resolution. These accounts do not supply the materials for a statement in which the amount actually received on account of *euch* duty can, at present, be exhibited.

To comply the more fully with the scope of the resolution, two views are presented; the first, of the amounts of the several internal duties, distinctly exhibited, that have *accrued* for the two first quarters of the present year, in each collection district, so far as returns have been made by the collectors; the second, of the aggregate amounts of duties ascertained on the 10th of October, 1814, to have been *received* in each State or territory, the former being derived from quarterly, and the latter from monthly returns made by the collectors. In those districts from which the returns for the two quarters have not been received, the period of time for which returns have been rendered is stated. Monthly returns have been received from all the collection districts, except the first of Louisiana, in which there is yet no collector.

I have the honor to be, sir, your obedient servant,

SAMUEL H. SMITH, Acting Secretary of the Treasury.

Honorable the SPEAKER of the House of Representatives.

SIR: