

**FINANCE.**

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14th CONGRESS.]

No. 454.

[1st SESSION.

**STATE OF THE FINANCES.**

COMMUNICATED TO THE SENATE, DECEMBER 8, 1815.

In obedience to the acts entitled, respectively, "An act to establish the Treasury Department," and "An act supplementary to the act entitled an act to establish the Treasury Department," the Secretary of the Treasury has the honor to lay before Congress the following report, comprehending,

- I. A cursory review of the financial operations of the Government, in reference to the recent state of war.
- II. A view of the finances for 1815, with estimates of the public revenue and expenditures for 1816.
- III. Propositions for the improvement and management of the revenue, and for the support of public credit.

**I. A CURSORY REVIEW OF THE FINANCIAL OPERATIONS OF THE GOVERNMENT IN REFERENCE TO THE RECENT STATE OF WAR.**

In order to introduce to the consideration of Congress, with advantage, the measures which will be respectfully suggested, for replacing the finances of the United States upon the basis of a peace establishment, a review of the financial operations of the Government, in reference to the recent state of war, appears to be a necessary preliminary.

The restrictive system, which commenced in the year 1807, greatly diminished the product of the public revenue; but it was not until the crisis involved an actual declaration of war, that the augmentation in the expenses of the Government became obvious and important. With the occasional aid of temporary loans the ordinary receipts of the Treasury had exceeded the ordinary expenditures, even during the period of a suspended commerce; (1) and a report from this Department, presenting the estimates for the year 1812, seems to have given the first intimation that the portion of extraordinary expenses, to be incurred for the military and naval service, on account of the then existing state of the country, would raise the demands upon the Treasury to a considerable amount beyond the estimated product of the current revenue. (2) The ordinary disbursements for the year ending on the 30th of September, 1811, were stated as amounting to the sum of \$13,052,657 73; and the ordinary receipts, for the same year, were stated as amounting to the sum of \$13,541,446 37, independent of a temporary loan raised in 1810, and repaid in 1811, as well as of the balances in the Treasury at the commencement and the close of the year. But the estimates for the year 1812 required, on account of the current expenses, the sum of \$9,400,000.

For the Civil and Diplomatic Departments,	-	-	-	-	\$1,260,000
For the Military Department, (including the militia, the Indian Department, the charge of arsenals, army, and ordnance, &c.)	-	-	-	-	3,415,000
For the Naval Department,	-	-	-	-	2,500,000
And for the interest on the public debt,	-	-	-	-	2,225,000
				-	\$9,400,000

And the subsisting revenue to meet these expenses was estimated at the sum of \$8,200,000, proceeding—

From the customs,	-	-	-	-	7,500,000
From the sale of public lands,	-	-	-	-	600,000
And from miscellaneous payments,	-	-	-	-	100,000
				-	8,200,000

Leaving a deficit, for which it was proposed to provide by a loan, amounting to the sum of \$1,200,000

Such were the limited objects of expense, and such the limited means of supply, at the commencement of the year in which war was declared. An increase of the expense, and a diminution of the supply, must have been anticipated as the inevitable consequences of that event; but the Government reposed with confidence, for all the requisite support, upon the untried resources of the nation, in credit, in capital, and in industry. The confidence

(1) See the annexed table A, exhibiting a statement of the gross annual receipts and disbursements of the Treasury, from the year 1791 to the year 1812.

(2) See the annual report of the Secretary of the Treasury, dated the 22d November, 1811.

was justly reposed; yet it may, perhaps, be considered as a subject for regret, and it certainly furnishes a lesson of practical policy, that there existed no system by which the internal resources of the country could be brought at once into action, when the resources of its external commerce became incompetent to answer the exigences of the times. The existence of such a system would, probably, have invigorated the early movements of the war; might have preserved the public credit unimpaired; and would have rendered the pecuniary contributions of the people more equal as well as more effective. But, owing to the want of such a system, a sudden and almost an exclusive resort to the public credit was necessarily adopted as the chief instrument of finance. The nature of the instrument employed was soon developed; and it was found that public credit could only be durably maintained upon the broad foundations of public revenue.

On the opening of the session of Congress in November, 1811, the legislative attention was devoted to the organization of the Military and Naval Departments upon the enlarged scale of the war establishment; so that the appropriations for this purpose far exceeded, in a short time, the estimates and the resources of the Treasury, as they have been already described. Ways and means were, therefore, provided to meet the extraordinary demands thus created; but they were derived exclusively from the operations of foreign commerce and of public credit.

1. The Mediterranean fund was at first continued until the 4th of March, 1813, and afterwards until March, 1815, when it became extinct, affording an additional duty of two and a half per cent. *ad valorem* on all imported goods paying duties *ad valorem*; and a discriminating duty of ten per cent. upon that additional duty, in respect to all goods imported in vessels not of the United States. (1)

2. There were imposed an additional duty of 100 per cent. upon the permanent duties on goods imported into the United States, from any foreign place, a discriminating duty of 10 per cent. upon that additional duty, in respect to all goods imported in vessels not of the United States; and an additional duty of \$1 50 per ton (the previous duty being at the rate of 50 cents per ton) upon all vessels belonging wholly or in part to the subjects of foreign Powers. But the continuance of the act being limited to the expiration of one year after the conclusion of the peace, these additional duties will cease on the 17th of February, 1816. (2)

3. An authority was given to raise, by loan, a sum not exceeding \$11,000,000, and to create stock for the amount, bearing interest, not exceeding the rate of six per cent. per annum, and reimbursable at any time after the expiration of twelve years, from the 1st of January, 1813. The payment of the interest, and the redemption or the purchase of this stock, are charged upon the sinking fund. (3)

4. And an authority was given to issue Treasury notes for a sum not exceeding \$5,000,000, bearing interest at the rate of 5½ per cent. per annum, and reimbursable at such places, respectively, as should be expressed on the face of the notes, one year after the day on which the same shall have been issued. The notes were declared to be receivable in payment of all duties and taxes laid by the United States, and all public lands sold by their authority; and the payment of interest, and the redemption or the purchase of these notes were charged, like the funded debt, upon the sinking fund. (4)

The effect of the additional ways and means provided by Congress, from time to time, during the late war, may readily be traced. From the report, dated the 1st of December, 1812, it appears that the actual receipts into the Treasury, during the year ending on the 30th of September, 1812, including a portion of the loan, and the issue of Treasury notes, amounted to the sum of \$16,782,159 40; (almost double the amount of the previous estimate;) and that the actual disbursements for the same year amounted to the sum of \$18,368,325 7, (which was, also, almost double the amount of the previous estimate,) independent of the balances in the Treasury at the commencement and the close of the year. (5) But the estimates for the year 1813 required, on account of the accumulating expenditures, a sum of \$31,925,000.

For the Civil and Diplomatic Departments, - - -	\$1,500,000
For the Military Department, - - -	17,000,000
For the Naval Department, - - -	4,925,000
And for the interest and reimbursement of the principal of the public debt, - - -	8,500,000
	\$31,925,000

And the subsisting revenue to meet these expenditures was estimated at the sum of \$12,000,000, proceeding—

From the customs, - - -	11,500,000
From the sales of public lands, &c., - - -	500,000
	12,000,000

Leaving a deficit, for which it was proposed to provide, 1st. by the outstanding balances of the authorized loan and issue of Treasury notes; and 2d. by a new authority to borrow, and to issue Treasury notes to the amount of - - - - - \$19,925,000

During the session of Congress, which commenced in November, 1812, and closed on the 3d of March, 1813, the appropriations for the army, the navy, and other branches of the public service, were considerably augmented; but, without adverting to the imposition of a small duty upon imported iron-wire, (6) no new source of revenue was then opened, but additional aid was extended to the Treasury by authorizing a repetition of the appeal to public credit.

1. An authority was given to raise, by loan, a sum not exceeding \$16,000,000, and to create stock for the amount, bearing interest not exceeding the rate of six per cent. per annum, and reimbursable at any time after the expiration of twelve years, from the 1st of January, 1814. The payment of the interest, and the redemption or purchase of this stock are charged upon the sinking fund. (7)

2. And an authority was given to issue Treasury notes for a sum not exceeding \$5,000,000 absolutely; with a provisional authority to issue an additional sum of \$5,000,000, to be deemed and held to be a part of the loan of \$16,000,000, authorized as above stated to be raised. The notes were to bear interest at the rate of 5½ per cent. per annum, to be reimbursable at such places, respectively, as should be expressed on the face of them, one year after the day on which they should be issued; to be receivable in payment of all duties and taxes laid by the United States, and all public lands sold by their authority; and the payment of the interest, and the redemption or purchase of these notes were charged, like the funded debt, upon the sinking fund. (8)

(1) See the act of the 25th March, 1804, 7 vol. 133, the 31st January, 1812, 11 vol. 28, and the act of the 27th of February, 1813, 11 vol. 401.

(2) See the act of the 1st of July, 1812, 11 vol. 261.

(3) See the act of the 14th of March, 1812, 11 vol. 72.

(4) See the act of the 30th of June, 1812, 11 vol. 255.

(5) See the annual report of the Secretary of the Treasury, dated the 1st of December, 1812.

(6) See the act of the 25th of February, 1813, 11 vol. 385.

(7) See the act of the 8th of Feb., 1813, 11 vol. 367.

(8) See the act of the 25th of February, 1813, 11 vol. 377.

The necessities of the Treasury becoming, however, more urgent, and the reliance on the public credit becoming more hazardous, Congress determined, at a special session, which commenced in May, 1813, to lay the foundation of a system of internal revenue; selecting, in particular, those subjects of taxation which were recommended by the experience of a former period, and computing their general product at the sum of \$5,000,000. (1) The continuance of these taxes being limited, at first, to one year after the termination of the war, they acquired the denomination of the "war taxes;" but, by subsequent laws, almost all the existing revenues are pledged, with the faith of the United States, to provide for the payment of the expenses of Government, for the punctual payment of the public debt, principal and interest, according to the contracts; and for creating an adequate sinking fund, gradually to reduce, and eventually to extinguish, the public debt; until those purposes shall be accomplished, or until Congress shall provide and substitute, by law, for the same purposes, other duties, which shall be equally productive. In the session of May, 1813—

1. A direct tax of \$3,000,000 was laid upon the United States and apportioned to the States respectively for the year 1814, and it was afterwards subjected to the general pledge above stated. (2)

2. A duty of four cents per pound was laid upon all sugar refined within the United States. The continuance of the duty was limited to one year after the war; and, as the general pledge has not been applied to it, the duty will cease on the 17th of February, 1816. (3)

3. A duty was laid upon all carriages, for the conveyance of persons, kept by any person for his own use, or to be let out for hire, or for the conveyance of passengers; which was graduated according to the denomination of the carriage, from the yearly sum of \$20, to the yearly sum of \$2. The continuance of this duty was originally limited to the war; but the general pledge has been applied to it, with some modifications in the mode of laying and collecting the duty. (4)

4. A duty was imposed on licenses to distillers of spirituous liquors, which was graduated according to the capacity of the still, the time of employing it, and the materials consumed. The continuance of this duty was originally limited to the war; but the general pledge has been applied to it, with considerable modifications in the principles and provisions of the law. (5)

5. A duty was laid on sales at auction of merchandise, and of ships and vessels, at the rate of one per cent. of the purchase money of goods, and of twenty-five cents for every hundred dollars of the purchase money of ships and vessels. The continuance of this duty was originally limited to the war; but the general pledge has been applied to it, with a considerable addition to the amount, and a modification of the provisions of the law. (6)

6. A duty was laid on licenses to retailers of wines, spirituous liquors, and foreign merchandise, graduated according to the place of retailing, and the nature of the article retailed. The continuance of this duty was originally limited to the war; but the general pledge has been applied to it. (7)

7. A duty was laid on notes of banks, and bankers; on bonds, obligations, or promissory notes, discounted by banks or bankers; and on foreign or inland bills of exchange, above \$50, and having one or more endorsers; graduated according to the nominal amount of the instrument. The continuance of this duty was limited to one year after the war; and as the general pledge has not been applied to it, the duty will cease on the 17th of February, 1816. (8)

But besides the direct tax and the internal duties, there were added to the resources of the Treasury, during the session of May, 1813—

8. A duty of twenty cents per bushel upon all salt imported from any foreign place into the United States, which, being limited to the war, and not being included in the general pledge, will cease on the 17th of February, 1816. (9)

9. And an authority to raise, by loan, a sum not exceeding \$7,500,000, and to create stock for the amount, reimbursable at any time after the expiration of twelve years from the 1st of January, 1814. The rate of interest was not limited by the law; but it was provided, that no certificate of stock should be sold at a rate less than eighty-eight per cent., or \$88, in money, for \$100 in stock. The payment of the interest, and the redemption or the purchase of this stock, are charged upon the sinking fund. (10)

The sources of the revenue thus opened in 1813, could not, however, be expected to aid the Treasury until 1814; and, accordingly, in the annual report from this Department, dated the 8th January, 1814, neither the direct tax, nor the internal duties, will be found as an item of the actual receipts into the Treasury, during the year ending the 30th of September, 1813. The amount of those receipts was stated in the proceeds of the customs of the sales of public lands &c., at \$13,568,042 43, and in the proceeds of loans and Treasury notes at \$23,976,912 50, making together \$39,907,607 62; and the actual disbursements of the same period were stated at \$32,928,855 19, independent of the balances in the Treasury at the commencement and the close of the year. (11) But the estimates for the year 1814 required a sum of \$45,350,000.

For civil, diplomatic, and miscellaneous expenses,	-	-	\$1,700,000
For the payment of interest on the old and new debt, and the instalments of the principal of the old debt,	-	-	12,200,000
For the Military Establishment,	-	-	24,550,000
For the Naval Establishment,	-	-	6,900,000
			\$45,350,000

And the subsisting revenue to meet these expenditures was estimated at the sum of \$14,370,000, proceeding—

From the customs and sales of public lands,	-	-	6,600,000
From the internal duties and direct tax,	-	-	3,500,000
From a balance of loans and Treasury notes,	-	-	4,270,000
			14,370,000

Leaving a deficit, for which it was proposed to provide, 1st, by a part of the balance in the Treasury, and 2d, by loans and Treasury notes, amounting to - - - \$30,980,000

(1) See the letter of the Secretary of the Treasury to the chairman of the Committee of Ways and Means, dated January 10, 1812, and the report of the acting Secretary of the Treasury, dated June 2d, 1813.

(2) See the acts of the 22d of July, and the 2d August, 1813, and 9th January, 1815, 12 vol. 53, 135, 35.

(3) See the act of the 24th July, 1813, 12 vol. 88.

(4) See the acts of the 24th July, 1813, and 15th December, 1814, 12 vol. 101, 12.

(5) See the acts of the 24th July, 1813, and 24th December, 1814, 12 vol. 105, 18.

(6) See the acts of the 24th of July, 1813, and 23d December, 1814, 12 vol. 111, 26.

(7) See the acts of the 2d of August, 1813, and 23d December, 1814, 12 vol. 184, 26.

(8) See the act of the 2d of August, 1813, 12 vol. 204. (9) See the act of the 29th of July, 1813, 12 vol. 127.

(10) See the act of the 2d of August, 1813, 12 vol. 200.

(11) See the annual report of the acting Secretary of the Treasury, dated 8th January, 1814.

For the deficit thus approaching the sum of \$40,000,000, the only provision made during the session, which commenced in December, 1813, rested again upon the public credit:

1. An authority was given to issue Treasury notes for a sum not exceeding \$5,000,000, absolutely; with a provisional authority to issue an additional sum of \$5,000,000, to be deemed and held to be a part of any loan which might be authorized during the session. The notes were to bear interest at the rate of 5½ per cent. per annum; to be reimbursable at such places respectively, as should be expressed on the face of them, one year after the day on which they should be issued; to be receivable in payment of all duties and taxes laid by the United States, and all public lands sold by their authority; and the payment of the interest, and the redemption, or purchase of these notes, were charged, like the funded debt, upon the sinking fund. (1)

2. And an authority was given to raise, by loan, a sum not exceeding \$25,000,000, and to create stock for the amount, reimbursable at any time after the expiration of twelve years from the last day of December, 1814. Neither the rate of the interest, nor the price of the stock was limited; and the payment of the interest, and the redemption or the purchase of the stock, are charged upon the sinking fund. (2)

The embarrassments of the Treasury, after the adjournment of Congress in the year 1814 became extreme. It appears (3) that the disbursements, during the first half of that year, had amounted to the sum of \$19,693,781 27.

For the civil, diplomatic, and miscellaneous expenses,	-	-	\$1,444,762 60
For the Military Department,	-	-	11,210,238 00
For the Naval Department,	-	-	4,012,199 90
For the public debt,	-	-	3,026,580 77
			\$19,693,781 27

And the balance of the appropriations for the same objects of expenditure required, during the other half of the same year, was stated at the sum of	-	27,576,391 19	
			47,270,172 46

But the actual receipts into the Treasury, during the first half of the year 1814, had amounted to \$19,219,946 33, proceeding—

From the customs,	-	-	4,182,088 25
From the sale of public lands, (including those in the Mississippi Territory, the proceeds of which are payable to the State of Georgia,)	-	-	540,065 68
From the internal duties and direct tax,	-	-	2,189,272 40
From postage and incidental receipts,	-	-	166,744 00
From loans,	-	-	9,679,676 00
From Treasury notes,	-	-	2,462,100 00
			19,219,946 33

And it was estimated that there would be received from the same sources of revenue, (including loans and Treasury notes to the amount of \$8,320,000,) during the other half of the same year, the sum of	-	-	13,160,000 00
			32,379,946 33

To this amount add the balance of the cash in the Treasury on the 1st of July, 1814,	-	-	4,722,639 22
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And the estimated aggregate of the funds to meet the demands on the Treasury to the close of the year 1814, was the sum of	-	-	37,102,585 55
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Leaving a deficit for the service of 1814, after absorbing all the cash of the Treasury, amounting to the sum of	-	-	\$10,167,586 91
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To supply this deficit of \$10,167,586 91, to provide an additional sum for the contingencies of the year, and to accelerate the fiscal measures, which were essential to the prosecution of the war in 1815, the interposition of the Legislature was deemed indispensable. The plan of finance, which was predicated upon the theory of defraying the extraordinary expenses of the war by successive loans, had already become inoperative. The product of the revenues had ceased to furnish an amount equal to the expenditure of the former peace establishment, with an addition of the interest upon the debt contracted on account of the war. And the sudden suspension of specie payments at the principal banks established in the different States, (however it may be excused, or justified, by the apparent necessity of the case,) had exposed the Government, as well as private citizens, to all the inconveniences of a variable currency, devoid, alike, of national authority and of national circulation. The Treasury could no longer transfer its funds from place to place; and it became, of course, impracticable to maintain the accustomed punctuality in the payment of the public engagements.

Under these circumstances, the Congress was convened by the special call of the President, in September, 1814, when the citizens of every occupation and pursuit seemed eager to second the legislative efforts to replenish an exhausted Treasury, and to renovate the public credit. Commerce continued to contribute, perhaps, to the extent of its capacity. Agriculture, though suffering the want of a vent for some of its important staples, was every where prepared for the requisite exertion. Domestic manufactures, which had scarcely surmounted the first struggle for existence, yielded to the patriotic impulse; and the capital of individuals, in all its variety of form, offered a ready tribute to relieve the necessities of the country. Thus, during the session which commenced in September, 1814, and closed on the 3d of March, 1815—

1. The following internal duties were increased in their amount; the duties were rendered permanent, and the general pledge was applied to them:

- (1.) The direct tax was raised to an annual sum of \$6,000,000, (4) and it was extended to the District of Columbia. (5)
- (2.) The duty on carriages was raised, and a duty on the harness was added. (6)
- (3.) The duty on licenses to distillers of spirituous liquors was continued, and a duty on the spirits distilled was added. (7)
- (4.) The duties on sales at auction, and on licenses to retail wines, spirituous liquors, and foreign merchandise were raised. (8)
- (5.) The rates of postage were raised fifty per cent. (9)

(1) See the act of the 4th of March, 1814, 12 vol. 276.

(2) See the act of the 4th of March, 1814, 12 vol. 309.

(3) See the annual report of the Secretary of the Treasury, dated 23d September, 1814.

(4) See the act of the 9th of January, 1815, 12 vol. 35.

(5) See the act of the 27th February, 1815, 12 vol. 119.

(6) See the act of the 15th of December, 1814, 12 vol. 12.

(7) See the act of the 21st of December, 1814, 12 vol. 18.

(8) See the act of the 23d of December, 1814, 12 vol. 26.

(9) See the act last quoted.

2. The following new duties were permanently laid, and the general pledge was applied to them. But it was, at the same time, declared, that so long as the duties imposed on the articles of domestic manufacture should continue to be laid, the duties then payable on the like description of goods imported into the United States, should not be discontinued or diminished.

(1.) Duties on various articles, manufactured or made for sale within the United States or their Territories, as specified in the annexed table, marked B.

(2.) Duties on articles in use, (1) to wit:

On household furniture, the value in any one family (with certain exceptions) exceeding \$200 in money, according to a scale graduated from \$1 on a value of \$400, to \$100 on a value of \$9,000.

On every gold watch kept for use, \$2.

On every silver watch kept for use, \$1.

But, besides establishing these sources of revenue, (and others were contemplated at the period when the treaty of Ghent was announced,) Congress sought to confer upon the Treasury the means of anticipating the collection of the duties, of recovering the punctuality of its payments, and of inviting the co-operation of the moneyed institutions and moneyed men of the United States, in plans for restoring a uniform and national currency. With these views various measures were sanctioned.

1. An authority was given to raise, by loan, a sum not exceeding \$3,000,000, (particularly destined to provide for the expenditures of the last quarter of the year 1814,) and to create stock for the amount, reimbursable at any time after the 31st of December, 1814. No limitation was prescribed as to the rate of interest, or the price of the stock, but it was declared that, in payment of subscriptions to this loan or to loans authorized by any other act of Congress, it should be lawful to receive Treasury notes becoming due on or before the 1st of January, 1815, at their par value, together with the interest accrued.

The payment of the interest, and the redemption, or the purchase of the stock to be thus created, were charged upon the sinking fund, but the act contained these further assurances: 1st. That, in addition to the annual sum of \$8,000,000, heretofore appropriated to the sinking fund, adequate and permanent funds should be provided and appropriated during that session of Congress, for the payment of the interest and the reimbursement of the principal of the stock; and, 2d, that an adequate and permanent sinking fund gradually to reduce, and eventually to extinguish the public debt contracted during the war, should also be established during the same session of Congress. (2)

2. An authority was given to anticipate the collection and receipt of the duties on licenses to distillers of spirituous liquors, and on distilled spirits, by obtaining a loan upon the pledge of the duties to an amount not exceeding \$6,000,000, and at a rate of interest not exceeding six per cent. per annum. (3) And a similar authority was given to raise a like sum, at the same rate, by the pledge of the direct tax. (4)

3. An authority was given to issue Treasury notes for so much of the sums authorized to be borrowed under the acts of the 24th of March, and the 15th of November, 1814, as had not been borrowed, or otherwise employed in the issue of Treasury notes; provided, that the whole amount should not exceed the sum of \$7,500,000. And, by the same act, an authority was also given to issue a further sum of \$3,000,000, to supply a deficiency in the appropriations for the expenses of the War Department. The Treasury notes, issued under these authorities, were in all respects similar to the prior issues of Treasury notes, except that the payment of the interest, and the reimbursement of the principal were not, as heretofore, charged upon the sinking fund, but upon any money in the Treasury not otherwise appropriated. (5)

4. An authority was given to issue and re-issue Treasury notes for a sum not exceeding \$25,000,000, upon principles essentially different from the prior issues. (6)

(1.) These Treasury notes might be of any denomination. If they were of a denomination less than \$100, they were to be payable to the bearer, to be transferable by delivery, and to bear no interest. This denomination has acquired the designation of "Small Treasury Notes." If they were of the denomination of \$100 or upwards, they might conform to the foregoing description, or they were to be payable to order, to be transferable by endorsement, and to bear interest at the rate of 5½ per cent. per annum. This denomination (of which only notes for \$100, bearing interest, have been issued) has acquired the designation of "Treasury notes of the new emission."

(2.) The principal and interest of these Treasury notes are not payable at any particular time, but the notes are every where receivable in all payments to the United States.

(3.) The holders of "small Treasury notes" may exchange them, at pleasure, in sums not less than \$100, for certificates of funded stock, bearing interest at seven per cent. per annum, from the first day of the calendar month next ensuing that in which the notes shall be presented to the Treasury of the United States, or to a commissioner of loans, for the purpose of exchange.

(4.) The holders of "Treasury notes of the new emission" may exchange them, at pleasure, in sums not less than \$100, for certificates of funded stock, bearing interest at six per cent. per annum, from the first day of the calendar month next ensuing that in which they shall be presented to the Treasury of the United States, or a commissioner of loans.

(5.) The stock, thus created by the exchange of Treasury notes of either denomination, is reimbursable at any time after the 31st of December, 1824, and it is charged upon such funds as had been, or should be established by law for the payment and reimbursement of the funded public debt contracted since the declaration of war.

5. An authority was given to raise, by loan, a sum not exceeding \$18,452,800, and to create stock for the amount, reimbursable at any time after the expiration of twelve years from the last day of December, 1815. (7) Neither the rate of interest, nor the price of the stock was limited; but it was declared that there might be received in payment of subscriptions to the loan, such Treasury notes as were actually issued before the passing of the act, and which were made by law a charge on the sinking fund. (8) And the payment of the interest, and the reimbursement on the purchase of the principal of the stock are charged upon the sinking fund. (9)

6. It was declared that any holder of any Treasury notes issued, or authorized to be issued, under any laws previously passed, might convert them into certificates of funded debt, bearing an interest of six per cent. per annum. (10)

7. And it was declared that it should be lawful for the Secretary of the Treasury to cause to be paid the interest upon Treasury notes which have become due and remain unpaid, as well with respect to the time elapsed before they became due, as with respect to the time that shall elapse after they become due; and, until funds shall be assigned for the payment of the said Treasury notes, and notice thereof shall be given.

(1) See the act of the 18th of January, 1815, 12 vol. 65.

(2) See the act of the 15th of December, 1814, 12 vol. 5.

(3) See last section of the act of the 21st of December, 1814, 12 vol. 26.

(4) See the last section of the act of the 9th of January, 1815, 12 vol. 56.

(5) See the act of the 26th of December, 1814, 12 vol. 30.

(6) See the act of the 24th of February, 1815, 12 vol. 113.

(7) See the act of the 3d of March, 1815, 12 vol. 145.

(8) See the act last quoted, section 6. (9) Idem, section 4.

(10) See the ninth section of the act of the 24th of February, 1815, 12 vol. 116.

The progress of expenditure and of revenue for the entire period of the war is thus developed, and, independent of the balance of the appropriations for the year 1814, which is transferred to the accounts for the year 1815, the subject may be reduced to the following general abstract:

THE ACTUAL RECEIPTS OF THE TREASURY.

In 1812, they amounted to the sum of	-	-	-	-	\$22,639,032 76
From revenue,	-	-	-	\$9,801,132 76	
From loans,	-	-	-	10,062,400 00	
From Treasury notes,	-	-	-	<u>2,835,500 00</u>	
In 1813, they amounted to the sum of	-	-	-	-	40,524,844 95
From revenue,	-	-	-	\$14,340,709 95	
From loans,	-	-	-	20,089,365 00	
From Treasury notes,	-	-	-	<u>6,094,500 00</u>	
In 1814, they amounted to the sum of	-	-	-	-	34,878,432 25
From revenue,	-	-	-	\$11,500,606 25	
From loans,	-	-	-	15,080,546 00	
From Treasury notes,	-	-	-	<u>8,297,280 00</u>	
The aggregate amount of the receipts into the Treasury, for the three years of war, being the sum of					<u>\$98,042,309 96</u>

THE ACTUAL DISBURSEMENTS OF THE TREASURY.

In 1812, they amounted to the sum of	-	-	-	-	\$22,279,121 15
For the civil, diplomatic, and miscellaneous expenses of Government,	-	-	-	\$1,791,360 31	
For the military service, (including the Indian Department,)	-	-	-	12,078,773 24	
For the naval service,	-	-	-	3,959,365 15	
For the public debt,	-	-	-	<u>4,449,622 45</u>	
In 1813, they amounted to the sum of	-	-	-	-	39,190,520 36
For the civil, diplomatic, and miscellaneous expenses of Government,	-	-	-	\$1,833,308 80	
For the military service, (including the Indian Department, &c.)	-	-	-	19,802,488 02	
For the naval service,	-	-	-	6,446,600 10	
For the public debt,	-	-	-	<u>11,108,123 44</u>	
In 1814, they amounted to the sum of	-	-	-	-	38,547,915 62
For the civil, diplomatic, and miscellaneous expenses of Government,	-	-	-	\$2,337,897 13	
For the military service, (including the Indian Department, &c.)	-	-	-	20,510,238 00	
For the naval service,	-	-	-	7,312,899 90	
For the public debt,	-	-	-	<u>8,386,880 59</u>	
					<u>\$100,017,557 13</u>

But, as the receipts of the Treasury for the year 1815 are derived principally from the war revenue and resources, and as its expenditures arise, also, principally from the arrearages of the war demands, it is proper to comprise them, as far as they are ascertained, in the following supplemental statement:

1. The gross receipts of the Treasury for 1812, 1813, and 1814, amounted, as above stated, to the sum of	-	-	-	-	\$98,042,309 96
The receipts of the Treasury for 1815, to the 30th of September last, cannot be precisely stated, as the accounts to that time are not yet actually made up; but they are estimated to have amounted to the sum of	-	-	-	-	39,372,000 00
From revenue,	-	-	-	\$12,400,000 00	
From loans,	-	-	-	11,034,000 00	
From Treasury notes,	-	-	-	15,938,000 00	
				<u>\$39,372,000 00</u>	

The aggregate of the receipts of the Treasury from the 1st of January, 1812, to the 30th of September, 1815, being the sum of

2. The gross disbursements of the Treasury for 1812, 1813, and 1814, amounted, as above stated, to the sum of	-	-	-	-	\$100,017,557 13
The disbursements of the Treasury for 1815, to the 30th of September last, amounted to the sum of	-	-	-	-	33,686,323 18
For the civil, diplomatic, and miscellaneous expenses,	-	-	-	\$2,537,000 00	
For the military service, &c.	-	-	-	15,190,144 71	
For the naval service, &c.	-	-	-	7,050,000 25	
For the public debt,	-	-	-	<u>8,909,178 22</u>	
				<u>\$33,686,323 18</u>	

The aggregate of the disbursements of the Treasury from the 1st of January, 1812, to the 30th of September, 1815, being the sum of

It will be natural here to inquire into the general effects of the war upon the public debt of the United States; and the annexed table, marked C, exhibits a detailed statement of the unsatisfied amount, on the 1st day of January, annually, from the year 1791 to the year 1815, both inclusive. The subject, however, may be placed distinctly in the following point of view, upon estimates referring to the date of the 30th of September, 1815.

OF THE PUBLIC DEBT.

1. The amount of the funded debt contracted before the late war, which remained unsatisfied on the 30th of September, 1815, may be stated at the sum of \$39,135,484 96, to wit:

(1.) In old six per cent. stock, the nominal amount being	-	-	\$17,350,871 39
And the amount reimbursed being	-	-	<u>13,467,587 00</u>

Balance due on the 30th of September, 1815,	-	-	\$3,783,284 39
(2.) In deferred six per cent. stock, the nominal amount being	-	\$9,358,320 85	
And the amount reimbursed being	-	4,152,543 93	
Balance due on the 30th of September, 1815,	-	-	5,205,776 42
(3.) In three per cent. stock,	-	-	16,158,177 43
(4.) In exchanged six per cent. stock, under the act of 1812,	-	-	2,984,746 72
(5.) In six per cent. stock of 1796,	-	-	80,000 00
(6.) In Louisiana six per cent. stock,	-	-	10,923,500 00
Balance on the 30th of September, 1815, of the whole of the public debt contracted before the war,	-	-	<u>\$39,135,484 96</u>

2. The amount of the funded debt contracted on account of the late war, on the 30th of September, 1815, may be stated at the sum of \$63,144,972 50, to wit:

(1.) In six per cent. stock of 1812, (the \$11,000,000 loan,) authorized by the act of the 4th of March, 1812, obtained at par, and not reimbursable before the year 1825,	-	-	\$7,860,500 00
(2.) In six per cent. stock of 1813, the (\$16,000,000 loan,) authorized by the act of the 8th of February, 1813, obtained at the rate of \$88 in cash for \$100 in stock, and not reimbursable before the year 1826,	-	-	18,109,377 48
(3.) In six per cent. stock of 1813, (the \$7,500,000 loan,) authorized by the act of the 2d of August, 1813, obtained at the rate of \$88 25 in money for \$100 in stock, and not reimbursable before the year 1826,	-	-	8,498,581 95
(4.) In six per cent. stock of 1814, (which arose from loans in parts of a sum of \$25,000,000, called the \$10,000,000 loan and the \$6,000,000 loan,) authorized by the act of the 24th of March, 1814, obtained at different rates, and not reimbursable before 1827, to wit:			
\$12,292,888 90, at 80 per cent. stock,	-	\$15,366,111 21	
140,810 00, at 85 per cent. do.	-	165,658 82	
43,222 22, at 90½ per cent. do.	-	47,627 79	
74,590 75, at 90½ per cent. do.	-	82,420 72	
			15,661,818 54
\$12,551,511 87			

(5.) In six per cent. stock of 1815, (the \$12,000,000 loan,) authorized by the act of the 3d of March, 1815, obtained at different rates, payable in Treasury notes, or in cash, and not reimbursable before 1827, to wit:			
\$7,924,219 59, at 95 per cent. stock,	-	\$8,341,283 77	
1,047,846 30, at 96½ per cent. do.	-	1,085,851 08	
32,978 49, at 97 per cent. do.	-	33,998 44	
275,000 00, at 98 per cent. do.	-	280,612 24	
4,000 00, at par do.	-	4,000 00	
			9,745,745 53
(6.) In seven per cent. stock of 1815, created by funding Treasury notes not bearing interest, issued part at par, and part upon an advance, under the act of the 24th of February, 1815, and not reimbursable until 1825,	-	-	3,268,949 00

Estimated amount of the whole of the funded public debt in reference to the late war, - \$63,144,972 50

3. The amount of the floating debt contracted since the commencement of the late war, calculated to the 30th of September, 1815, may be stated at the sum of \$17,355,101, to wit:

(1.) The aggregate of Treasury notes issued under the authority of the several acts of Congress passed prior to the act of the 24th of February, 1815, amounted to the sum of \$20,201,600 00, to wit:			
Payable in 1814, but unpaid,	-	\$2,799,200 00	
Payable in 1815, but unpaid,	-	7,847,280 00	
Payable in 1816, but unpaid,	-	2,772,720 00	
Payable also in 1816, (issued under the special authority of the act of the 26th of December, 1814,) but unpaid,	-	8,318,400 00	
			\$21,737,600 00
Deduct the amount reimbursed in 1815, at Philadelphia, Baltimore, Washington, Charleston, and Savannah,	-	1,536,000 00	
			\$20,201,600 00
Of this aggregate there has been subscribed in principal and interest to the loan of 1815, about the sum of	-	\$4,531,587 06	
From which deducting an average estimate of near one year's interest, about the sum of	-	216,587 06	
			\$4,315,000 00
There will remain for the amount of principal subscribed to the loan, about the sum of	-	\$4,315,000 00	
And it is estimated that there has been paid on account of duties and taxes to the collectors of the customs, the internal duties, and the direct tax, about the sum of	-	1,200,000 00	
			5,515,000 00
Outstanding amount of Treasury notes bearing interest at 5½ per cent. per annum, about the sum of	-	-	14,686,600 00
(2.) The aggregate of small Treasury notes issued and reissued under the act of the 24th February, 1815, amounts to about the sum of	-	\$4,142,850 00	
Of this aggregate there has been funded for seven per cent. stock, included in the foregoing statement of the funded public debt, about the sum of	-	\$3,268,949 00	
And there has been paid on account of duties and taxes, about the sum of	-	50,000 00	
			3,318,949 00
Outstanding small Treasury notes, about the sum of	-	-	823,901 00
(3.) The aggregate of Treasury notes of the new emission, issued under the act of the 24th February, 1815, amounts to about the sum of	-	-	694,600 00

Leaving the amount of floating public debt, in Treasury notes, on the 1st of October, 1815, about the sum of	\$16,205,101 00
But to this amount of the public floating debt, in Treasury notes, there must be added the following temporary loans, to wit:	
(1.) A temporary loan, made by the State Bank of Boston in 1812, payable the 15th and 31st of December, 1814, but unpaid,	\$500,000 00
(2.) A temporary loan, made by the Cumberland Bank in 1812, payable the 15th of November, 1817,	50,000 00
(3.) A temporary loan, made by the Bank of the State of South Carolina, in 1814, payable the 1st of December, 1815,	50,000 00
(4.) A temporary loan, made by the Mechanics' Bank of New York in 1815, payable when demanded,	200,000 00
(5.) A temporary loan, made by the State of New York, payable in the year 1817,	350,000 00
	<u>1,150,000 00</u>
Making the aggregate amount of the floating public debt about the sum of	<u>\$17,355,101 00</u>

## RECAPITULATION.

1. The amount of the unsatisfied funded public debt, contracted before the war, on the 30th of September, 1815, was the sum of	\$39,135,484 96
2. The amount of the funded public debt contracted, in reference to the late war, on the same day, the sum of	\$63,144,972 50
3. The amount of the floating public debt, contracted since the war, was, on the same day, the sum of	17,355,101 00
	<u>17,355,101 00</u>
Total of the ascertained amount of the public debt created since the war, to the 30th of September, 1815,	80,500,073 50
Total amount of the national debt on the 30th of September, 1815,	<u>\$119,635,558 46</u>

It is proper to remark, that the aggregate of the national debt thus stated to the 30th of September, 1815, is subject to considerable changes and additions. The floating debt in Treasury notes is convertible, at the pleasure of the creditors, into funded debt; and, independent of a direct application of the current revenue to discharge the Treasury notes, as well as the temporary loans, there must be a great, though gradual reduction of the floating debt, by the payments made in Treasury notes, for duties, taxes, and public lands. There are, indeed, some claims known to exist for loans, supplies, and services, during the late war, which have not been liquidated, or are not embraced by existing appropriations; and doubtless there are other legal and equitable claims which have not yet been brought into view, in any form, at the accounting departments, but which may eventually receive the sanction of Congress. It is not, however, within the scope of any estimate hitherto made, to state the probable addition to the funded debt, under all circumstances, at more than \$7,000,000, which would consequently place the aggregate of the funded debt, created in consequence of the war, at a sum not much exceeding \$70,000,000. But it may be important to recollect, that the war debt has not been entirely incurred for objects limited to the continuance of the war; and that the military and naval establishments in particular have derived durable advantages from the expenditures of the Treasury.

For the payment of the interest, and the reimbursement or gradual extinguishment of the national debt, the resources of the Treasury are abundant, although the state of the circulating medium (which will be more particularly considered hereafter) has rendered it impracticable to obtain at all times, upon reasonable terms, the local currency of some of the places appointed for the discharge of the public engagements. These resources depend upon the sinking fund, connected with the faith of the United States, which is pledged to supply from the existing, or from other subjects of revenue, the deficiencies of that fund.

## THE SINKING FUND.

The public debt amounted, on the 1st of January, 1791, to the sum of \$75,463,476 52, and it consisted—	
Of the foreign debt,	12,812,821 92
Of the domestic debt,	62,650,654 60
	<u>\$75,463,476 52</u>

The foreign debt experienced various changes in form and in amount. From 1792 to 1795 it rose above the amount stated for 1791, but from that period it was gradually reduced; and on the 1st of January, 1801, it stood at the sum of \$10,419,000. From the year 1801, however, the annual reduction was more rapid; and in the year 1810 the foreign debt became extinct.

The domestic debt has also experienced various changes in form and amount. It was originally stipulated that it should be subject to redemption by payments, not exceeding in one year, on account both of principal and interest, the proportion of eight dollars upon one hundred dollars of the stock;(1) and when the sinking fund was constituted and organized, provision was made for effecting the payments in that proportion, until the whole debt should be extinguished by dividends payable on the last days of March, June, and September, in each year, at the rate of one and a half per cent., and, on the last day of December, in each year, at the rate of three and a half per cent. upon the original capital.(2) During the first period of about ten years, from 1791 until the 1st of January, 1801, the amount of the domestic debt never fell below the sum which has been stated; and in 1801 it stood at about the sum of \$72,619,050 80. The augmentation, created on account of the purchase of Louisiana, (amounting to \$15,000,000,) raised the capital of the domestic debt, in 1804, to the sum of \$80,691,120 88; but from that period there was a considerable annual diminution of the amount, until it was reduced on the 30th of September, 1815, to the already specified sum of \$39,135,484 96.

The sinking fund, by whose operations these beneficial effects have been produced, may be regarded as coeval with the organization of the present Government; but it has undergone many important modifications.

1. The early appropriations of the revenue were confined to the payment of the interest and instalments of the foreign debt, and to the payment of the interest of the domestic debt; but so early as the 4th of August, 1790, the proceeds of the sales of the public lands in the western territory were permanently and exclusively appropriated

(1) See the 4th section of the act of the 4th of August, 1790, 1 vol. 230.

(2) See the act of the 28th April, 1796, volume 3, 298.



and pledged towards sinking and discharging the debts for which the United States were then holden. (1) The annexed table, D, will exhibit a statement of the quantity of the public lands which have been annually sold, and of the proceeds of the sales, as far as can be now ascertained.

2. In the year 1792, however, commissioners were designated and authorized to purchase the public debt at its market price, not exceeding the par value, and the interest of the debt purchased, together with the surplus of certain other appropriations, was assigned for that purpose. (2) When the annual amount of the fund thus created should be equal to two per cent. on the six per cent. stock, it was directed to be first applied to the redemption of that stock, according to the right reserved, and then to the purchase, at its market price, of any other public stock.

3. In the year 1795 "the sinking fund" was established by name; (3) its resources were vested in the same commissioners, and its operations were subjected to their direction and management. The duty of the commissioners, independent of temporary objects, consisted in applying the sinking fund, 1st, to the payment of the six per cent. stock, at the stipulated rate of eight per cent. per annum; 2d, to the payment of the deferred stock after the year 1801, according to the same stipulated; and, 3d, if any surplus remained, towards the further and final redemption of the public debt, of every denomination. For the accomplishment of these purposes there were permanently appropriated and pledged, in addition to the other moneys constituting the sinking fund, and the interest of the amount of the purchased or redeemed debt, 1st, a sufficient sum arising yearly, and every year, from the duties on imports and tonnage, and the duty on domestic distilled spirits and stills, as might be rightfully paid of the principal of the six per cent. stock, commencing on the 1st of January, 1802. 2d. The dividends on the public shares in the Bank of the United States; but the shares were sold in 1796 and 1802, under an authority given in 1795. 3d. The nett proceeds of the sales of public lands in the Western territory. 4th. Moneys received into the Treasury on account of old debts. 5th. The surpluses of revenue beyond the amount of the appropriations.

4. Such was the outline of the sinking fund, when, on the 6th of April, 1802, (4) the internal duties were repealed; and, on the 29th of April, 1802, a new and additional provision was made for the redemption of the public debt. Thus, an annual sum of \$7,300,000 was permanently appropriated and vested in the Commissioners of the Sinking Fund, to be produced, 1st, by the moneys (other than the surpluses of revenue) which then constituted the fund, or should arise to it by virtue of any previous provisions. 2d. By the sums annually required to discharge the interest and charges of the public debt; and, 3dly. By so much of the duties on merchandise and tonnage as would be necessary, together with the preceding resources, to complete the annual investment of \$7,300,000. The act not only placed the reimbursement of the principal, but also the payment on account of interest and charges of the public debt, under the superintendence of the commissioners; making it their duty to cause the fund to be applied in payment, 1st, of such sums as by virtue of any acts they had previously been directed to pay; 2d, of such sums as may be annually wanted to discharge the interest and charges accruing on any other part of the then debt of the United States. 3d. Of such sums as may be annually required to discharge any instalment of the principal of the then debt; and 4th, as to any surplus, to apply it towards the further and final redemption, by payment or purchase of the then debt. (5) The act of the 10th of November, 1803, having created six per cent. stock to the amount of \$11,250,000, in pursuance of the convention for the purchase of Louisiana, added an annual sum of \$700,000 to the sinking fund, to be paid out of the duties on merchandise and tonnage, and to be applied by the commissioners to the payment of the public debt, including the Louisiana stock, in the manner above stated. It may be added, that the interest on the Louisiana stock is payable in Europe; but the principal is reimbursable at the Treasury of the United States, in four annual instalments, commencing in 1818. (6)

It is obvious that a sinking fund of \$8,000,000 (independent of the general pledges in prior laws) was ample for the payment of the interest and the principal of the public debt, amounting only to the sum of \$86,000,000, extinguishing the six per cent. stock in 1818, the deferred stock in 1824, and the Louisiana stock in 1822, as fast as the terms of the contracts and the policy of Government would permit. The general operation of the fund, indeed, has been shown; but it is proper more particularly to add, that, on the 1st of January, 1815, there had been transferred to the credit of the commissioners; in the books of the Treasury, an amount of public debt equal to the sum of \$33,873,463 98, of the following denominations, to wit:

1.—FOREIGN DEBT.			
Three per cent. stock,	-	-	\$8,200,000 00
Four and a half per cent. stock,	-	-	820,000 00
Four per cent. stock,	-	-	3,180,000 00
			<u>\$12,200,000 00</u>
2.—DOMESTIC DEBT.			
Six per cent. stock,	-	-	1,946,026 92
Three per cent. stock,	-	-	698,555 41
Deferred six per cent. stock,	-	-	1,005,179 83
Eight per cent. stock,	-	-	6,482,500 00
Exchanged six per cent. stock,	-	-	6,294,051 12
Commuted six per cent. stock,	-	-	1,859,850 70
Four and a half per cent. stock,	-	-	176,000 00
Five and a half per cent. stock,	-	-	1,848,900 00
Navy six per cent. stock,	-	-	711,700 00
Louisiana six per cent. stock,	-	-	326,500 00
Six per cent. stock of 1812,	-	-	324,200 00
			<u>21,673,463 98</u>
			<u>\$33,873,463 98</u>

But the charges upon the sinking fund have accumulated, in consequence of the late war, to an amount which it has not the capacity to defray; while its operations, in other respects, have been obstructed by the temporary failure of the revenue arising from duties on merchandise and tonnage, and the protracted embarrassments of the circulating medium: thus,

1. The annual appropriation for the sinking fund amounts to \$8,000,000, and consists at present:

(1.) Of the interest on such parts of the public debt as have been reimbursed or paid off, (which, however, is itself derived from the customs,) estimated on the 30th of September, 1815, at the sum of \$1,969,577 64

(1) See the 22d section of the act of the 4th of August, 1790, 1 vol. 239.

(2) See the act of the 8th of May, 1792, 2 vol. 151.

(3) See the act of the 3d of March, 1795, 3 vol. 221.

(4) See the act of the 6th of April, 1802, 6 vol. 58.

(5) See the act of the 29th of April, 1802, 6 vol. 103.

(6) 7 vol. 5.

(2.) Of the nett proceeds of the sales of the public lands, exclusive of lands sold in the Mississippi Territory, (which as yet belong to the State of Georgia,) estimated annually at the sum of	800,000 00	
(3.) Of the proceeds of duties on imports and tonnage, to complete the annual investments, estimated at the sum of	5,230,422 36	<u>\$8,000,000 00</u>
2. The annual charge upon the sinking fund estimated for 1816, will amount probably to the sum of \$14,524,200.		
On account of the interest and the instalments of the old debt, the sum of	\$3,460,000 00	
On account of the interest of the new debt, computed on a capital of \$70,000,000 00, about the sum of	4,200,000 00	
On account of the principal and interest of the Treasury notes, issued under the act of the 30th of June, 1812, the 25th of February, 1813, and the 4th of March, 1814, (after allowing for the amount reimbursed, subscribed to the loan, and paid for duties,) about the sum of	6,864,200 00	<u>14,524,200 00</u>
Deficit in the amount of the sinking fund, compared with the charges upon it, estimated for 1816,		<u>\$6,524,200 00</u>

From this view of the financial operations of the Government the Secretary of the Treasury, with every sentiment of deference and respect, presents the following general conclusions for the consideration of Congress:

1. That the existing revenue of the United States arises, 1st, from duties on imported merchandise, and the tonnage of vessels; 2d, internal duties, including the direct tax upon lands, houses, and slaves; and, 3d, the proceeds of the sales of public lands; but some of these duties and taxes are permanently imposed, and some are limited in their duration.

2. That the following duties or taxes are either partially or wholly limited in their duration: 1. The duties on merchandise and tonnage will be reduced one-half on the 17th of February, 1816, except such as are imposed on goods of the like description with the articles of domestic manufacture, on which duties have been laid, and included in the general pledge. 2. The new duty on salt; the duty on sugar refined within the United States; and the stamp duty on bank notes, promissory notes discounted, and on bills of exchange, are not included in the general pledge, and will wholly cease on the 17th of February, 1816.

3. That the following duties or taxes are not limited in their duration, and are included in the general pledge: 1. The direct tax upon lands, houses, and slaves. 2. The duties upon licenses to distillers of spirituous liquors and upon the liquors distilled. 3. The duty upon licenses to retailers of wines, spirituous liquors, and foreign merchandise. 4. The duty upon sales at auction. 5. The duty upon carriages and harness. 6. The duties upon household furniture and watches. 7. The duties on articles manufactured or made for sale within the United States. 8. The rate of postage.

4. That the faith of the United States, and the revenue arising from the duties and taxes, which are not limited in their duration, are pledged for the punctual payment of the public debt, principal and interest, according to the terms of the contracts respectively; and, for creating an adequate sinking fund, gradually to reduce, and eventually to extinguish the debt. But this pledge will be satisfied by the substitution of other adequate duties or taxes; and the increase in the proceeds of the duties on merchandise, subsequent to the pledge, affords an advantageous opportunity of making such substitution in respect to the more inconvenient and burdensome portion of the internal duties.

5. That the establishment of a revenue system, which shall not be exclusively dependent upon the supplies of foreign commerce, appears, at this juncture, to claim particular attention.

## II.—A VIEW OF THE FINANCES FOR 1815, WITH ESTIMATES OF THE PUBLIC REVENUE AND EXPENSES FOR 1816.

At the close of the last session of Congress the demands upon the Treasury were interesting in their nature, as well as great in their amount. Exclusively of the ordinary expenses of the Government, they consisted of demands for the payment of the army, preparatory to its reduction to the peace establishment, with other very heavy arrearages and disbursements in the War and Navy Departments; for the payment of the dividends on the funded debt, and of the arrearages, as well as the accruing claims on account of the Treasury note debt; and for the payment of the Louisiana dividends, with other considerable debts contracted in Europe in consequence of the late war.

The efficiency of the means which were possessed for the liquidation of these demands depended upon circumstances beyond the control of the Government. The balance of money in the Treasury consisted of bank credits, lying chiefly in the Southern and Western sections of the Union. The revenue proceeding from the provision made prior to the last session of Congress was, comparatively, of small amount. The revenue proceeding from the provision made during that session could not be available for a great portion of the present year; and, in both instances, the revenue was payable in Treasury notes, or it assumed the form of bank credits, at the respective places of collection. The only remaining resources for immediate use were an additional issue of Treasury notes, and a loan; but the successful employment of these resources was rendered for some time doubtful, by the peculiar situation of the credit and currency of the nation.

The suspension of specie payments throughout the greater portion of the United States, and the consequent cessation of the interchange of bank notes and bank credits, between the institutions of the different States, had deprived the Treasury of all the facilities of transferring its funds from place to place; and a proposition which was made, at an early period, to the principal banks of the commercial cities, on the line of the Atlantic, with a view, in some degree, to restore those facilities, could not be effected, for the want of a concurrence in the requisite number of banks. Hence it has happened (and the duration of the evil is without any positive limitation) that, however adequate the public revenue may be, in its general product, to discharge the public engagements, it becomes totally inadequate in the process of its application, since the possession of public funds in one part no longer affords the evidence of a fiscal capacity to discharge a public debt in any other part of the Union.

From the suspension of specie payments, and from various other causes, real or imaginary, differences in the rate of exchange arose between the several States, and even between the several districts in the same State; and the embarrassments of the Treasury were more and more increased, since Congress had not sanctioned any allowance on account of the rate of exchange; and the amount of the legislative appropriations was the same, wherever the legislative objects were to be effected. But the Treasury notes partook of the inequalities of the exchange in the transactions of individuals, although the Treasury could only issue them at their par value. The public stock, created in consideration of a loan, also partook of the inequalities of the exchange, although to the Government the value of the stock created, and the obligation of the debt to be discharged, were the same, wherever the subscription to the loan might be made.

Thus, notwithstanding the ample revenue provided and permanently pledged for the payment of the public creditor, and, notwithstanding the auspicious influence of peace upon the resources of the nation, the market price of the Treasury notes, and of the public stock, was every where far below its par or true value, for a considerable period after the adjournment of Congress; vibrating, however, with a change of place, from the rate of 75 to the rate of 90 per cent. Payments in bank paper were universally preferred, during that period, to payments in the paper of the Government; and it was a natural consequence that wherever the Treasury failed in procuring a local currency, it failed also in making a stipulated payment.

Under these extraordinary and perplexing circumstances, the great effort of the Treasury was, 1st. To provide promptly and effectually for all urgent demands, at the proper place of payment, and to the requisite amount of funds. 2d. To overcome the difficulties of the circulating medium, as far as it was practicable, so that no creditor should receive more, and no debtor pay less, in effective value, on the same account, than every other creditor, or every other debtor. And, 3d. To avoid any unreasonable sacrifice of the public property, particularly when it must also be attended with a sacrifice of the public credit. It was not expected that this effort would every where produce the same satisfaction, and the same results; but the belief is entertained that it has been successful in the attainment of its objects, to the extent of a just anticipation.

#### OF THE ISSUES OF TREASURY NOTES.

The Treasury notes, which were issued under acts passed prior to the 24th of February, 1815, were, for the most part, of a denomination too high to serve as a current medium of exchange, and it was soon ascertained that the small Treasury notes, fundable at an interest of 7 per cent., though of a convenient denomination for common use, would be converted into stock almost as soon as they were issued. With respect to the first description, therefore, the issue has not been restrained; but with respect to the second description, the issue has been generally limited to cases of peculiar urgency; such as the payment of the army, preparatory to its reduction; the payment of the dividends on the public debt where the local currency could not be obtained; and the payment of an inconsiderable amount of miscellaneous claims, apparently entitled to distinction.

The annexed table, marked E, contains a statement of the amount of the small Treasury notes which had been issued on the 30th of September, 1815, from which it appears,

1. That there had been issued, for the payment of the army, the sum of	-	-	\$1,465,069
2. That there had been issued, for the payment of the dividends of the public debt, the sum of	-	-	1,203,100
3. That there had been issued, for sundry miscellaneous claims, the sum of	-	-	109,681
4. That there has been sold at an advance, (producing \$32,107 64.) for the purpose of raising funds to meet the general engagements of the Treasury, a sum of	-	-	1,365,000
			<u>\$4,142,850</u>

#### OF THE LOAN.

The act of the 3d March, 1815, authorized a loan for a sum not exceeding \$18,452,800. It was made lawful to accept, in payment of subscriptions, such Treasury notes as had been charged on the sinking fund; and a commission, not exceeding one quarter of one per cent., was allowed for selling the certificates of stock, or procuring subscriptions to the loan. Under this authority the annexed notice, marked F, dated the 10th of March, 1815, was published, opening a loan for the sum of \$12,000,000, with a view, 1st, to absorb a portion of the Treasury note debt; 2d, to obtain funds for paying the unsubscribed arrearages of that debt; and, 3d, to aid the Treasury with a supply of the local currencies of different places, in some proportion to the probable amount of the local demands.

The offers to subscribe to the loan prior to the 19th of April, 1815, placed (as it was proper to place) money and Treasury notes upon the same footing; but the offers varied essentially in the terms and conditions that were annexed to them; and, in point of fact, no direct offer was made to subscribe at a higher rate than 89 per cent., while some of the offers were made at a rate even lower than 75 per cent. Upon this experiment, therefore, it was seen at once that the new situation of the Treasury required a new course of proceeding, and that neither the justice due to the equal rights of the public creditor, nor a fair estimate of the value of the public property, nor an honorable regard for the public credit, would permit the loan to assume the shape and character of a scramble, subservient to the speculations, which create what is called a market price, and shifting in every town and village of every State, according to the arbitrary variations of what is called the difference of exchange.

In this view of the subject all the offers of subscription to the loan, made in the first instance, were declined; but it was declared, at the same time, that offers at the rate of 95 per cent. would be accepted. The rate thus proposed was adopted upon a consideration of the value of the stock, of the equitable as well as legal claim of the holders of Treasury notes, and of the real condition of the public credit. The objects of the loan being (as already stated) to absorb a portion of the Treasury note debt, and to acquire a sufficiency of local currency for local purposes, the price of the stock at the Treasury was, of course, independent of the daily up and down prices of the various stock markets in the Union, and could only be effected by the progress towards the attainment of those objects. Thus, while the wants of the Treasury were insufficiently supplied, offers to subscribe were freely accepted, and the parties were sometimes authorized and invited to increase the amount of their offers; but, where local funds had so accumulated as to approach the probable amount of the local demands, the price of the stock was raised at the Treasury; and when the accumulation was deemed adequate to the whole amount of the local demands, the loan was closed.

The policy of the course pursued at the Treasury was soon demonstrated. Offers of subscription to the loan, at the rate of 95 per cent., payable in Treasury notes or in money, were presented to a large amount soon after the rule of the Treasury was declared; and the annexed table, marked G, will exhibit the progressive and actual state of all the subscriptions to the 30th of September last.

In the District of Columbia the money subscriptions (including the subscription of certain liquidated claims upon the Treasury) were, successively, at 95, 96½, 97, and 98 per cent., and finally at par. In the city of Baltimore the money subscriptions have been at 95 and 96½ per cent. In the city of Philadelphia the money subscriptions have been entirely at 95 per cent. The price was raised at the Treasury from 95 to 98 per cent. on the 18th of June, (subject, of course, to all unexecuted subscriptions previously accepted or authorized,) and since that time considerable offers have been received at 95 and 96 per cent., but none have been received at the increased rate of 98 per cent. The subscriptions, payable in Treasury notes, have been made in all places at the same rate of 95 per cent. A general abstract of the state of the loan may, therefore, be reduced to the following form:

In the District of Columbia the subscriptions have amounted—			
1. In money, to the sum of	-	-	\$2,282,037 38
2. In Treasury notes, to the sum of	-	-	257,276 65
			\$2,539,314 03
In Baltimore the subscriptions have amounted—			
1. In money, to the sum of	-	-	\$1,994,818 50
2. In Treasury notes, to the sum of	-	-	608,661 90
			2,603,480 40
In Philadelphia the subscriptions have amounted—			
1. In money, to the sum of	-	-	\$1,845,000 00
2. In Treasury notes, to the sum of	-	-	1,260,568 69
			3,105,568 69
In New York the subscriptions have amounted—			
1. In money, to the sum of	-	-	601 44
2. In Treasury notes, to the sum of	-	-	658,371 61
			658,973 05
In Rhode Island the subscriptions have amounted, in Treasury notes, to the sum of	-	-	132,020 69
In Massachusetts the subscriptions have amounted, in Treasury notes, to the sum of	-	-	97,301 32
In New Hampshire the subscriptions have amounted, in Treasury notes, to the sum of	-	-	52,386 20
In North Carolina the subscriptions have amounted, in Treasury notes, to the sum of	-	-	95,000 00
			\$9,284,044 38

Having thus absorbed a portion of the Treasury note debt, and deeming the Treasury to be possessed of a sufficient supply of the local currency of the places at which the Treasury notes, unsubscribed and in arrears, were payable by law, except in the cities of New York and Boston, the Secretary of the Treasury proceeded to assign funds for the payment of the Treasury notes, and to give notice thereof in the form of the annexed copies, (marked, respectively, H and I,) in pursuance of the act of Congress, passed on the 3d of March, 1815. As a sufficient supply of the local currencies of Boston and New York had not been obtained, the overture was made in the same notice to discharge the Treasury notes payable in those cities, and in arrears, by accepting them in subscription to the loan, at the rate of 95 per cent., by exchanging them for other Treasury notes, in which the interest due should be included as principal, or by giving drafts for the amount upon any of the banks in which the Government possessed funds. This overture is still open to the consideration and acceptance of the holders of the Treasury notes in question, and has been accepted, in the shape of subscriptions to the loan, to a considerable extent. Since the 30th of September these amounts, including some subscriptions, the details of which have not yet been completed, to more than \$2,000,000.

#### OF THE TRANSFER OF BALANCES OF APPROPRIATIONS AND OF REVENUE FROM 1814 TO 1815.

In the administration of the finances it has been the practice to consider the demands and the supplies of each year as distinct subjects for legislative provision, independent of the balances of appropriations or of revenue existing at the close of the preceding years. The same course will now be pursued, but with a few explanatory remarks. The annual appropriations have never been entirely absorbed during the year for which they were made; and the credit given by law for payments in every branch of the revenue, necessarily introduces a discrimination between the amount of duties which accrues within the year, as a debt to the Government, and the amount which is paid within the year, as money into the Treasury. The annual appropriations, however, are not charged upon the revenue of the year specifically in which they are made; and, in point of fact, they are satisfied whenever demanded, out of any unappropriated money in the Treasury, without reference to the time when the revenue accrued, or when the money was actually received at the Treasury.

The inconvenience of continuing appropriations in force, which were liable to be drawn from the Treasury during any indefinite period, induced Congress to enact, in the year 1795,\* that any appropriations (except permanent appropriations for the interest of the funded debt, or appropriations for the payment of loans and the accruing interest, for the sinking fund, and for purposes which specially require, by law, a longer duration) remaining unexpended for more than two years after the expiration of the calendar year in which the act of appropriation was passed should cease and determine; and that the unexpended sum should be carried to an account on the books of the Treasury, to be denominated "the Surplus Fund." By the operation of this provision, no ordinary appropriation can now survive the specified period of two years; and, notwithstanding the formal designation of a particular account in which the entry shall be made, the sum disengaged by the determination of each appropriation, becomes again an undistinguishable part of the public treasure, which is subject to the future disposition of the Legislature.

With these remarks it will be useful, for the purpose of general information, to exhibit the gross amount of the balances of the appropriations for the year 1814, transferred to the year 1815, without entering into a comparative detail of the appropriations and of the revenues during the particular year in which the appropriation were made by law. Thus

The gross amount of the appropriations for 1814, including the aggregate of the balances of the appropriations for the year 1813, amounted to the sum of	-	-	\$55,978,464 20
Of this there was paid, on or before the 31st of December, 1814, the sum of	\$38,028,230 32		
And, on the 1st of January, 1815, there was carried to surplus fund the sum of	592,309 99		
			38,620,540 31
Leaving, as a general balance of the appropriations of 1814,	-	-	-
Payable at the Treasury, in 1815, the sum of	-	-	\$17,357,923 89

#### OF THE DEMANDS ON THE TREASURY FOR 1815.

The demands authorized by acts of appropriation during the year 1815, (exclusively of certain indefinite appropriations, the amount of which is not yet ascertained,) were the following:

For civil, diplomatic, and miscellaneous expenses, besides the unascertained product of fines, penalties, and forfeitures, assigned to defray the charges of courts, the sum of	\$3,080,656 22		
For military expenses, including those of the Indian Department, and the permanent appropriation of \$200,000 for arming and equipping the militia, the sum of	5,618,790 41		
For naval expenses, including the annual appropriation of \$200,000 for the purchase of timber,	5,233,022 00		
			\$13,932,468 63

\* See the 16th section of the act of the 3d March, 1795, 3 vol., 232.

For the public debt, to wit:	
The interest on the debt contracted before the war,	\$1,900,000
The interest on the debt contracted since the war, (including the loan of 1815, and excluding the interest of Treasury notes,)	3,560,000
The interest of five and two-fifths per cent. per annum upon Treasury notes, outstanding on the 1st of January, 1815, including notes due in 1814, and not paid, (the principal being then \$10,646,480,) the sum of	575,000
The annual reimbursement of the principal of the old six per cent. and deferred stocks, the sum of	1,590,000
The principal of Treasury notes, payable in 1814, and the 1st of January, 1815, but not then paid, the sum of	2,799,200
The principal of Treasury notes, payable in 1815, and the 1st of January, 1816, the sum of	7,847,280
The principal of temporary loans, payable in 1814, but not then paid,	500,000
	<u>18,771,480 00</u>
The amount of the appropriations and of demands for the public debt for 1815, being the sum of	<u>\$32,703,948 63</u>
The total amount, therefore, demandable at the Treasury during the year 1815, was	<u>\$50,061,871 95</u>
Consisting of appropriations made prior to that year, and unsatisfied at its commencement, amounting to	\$17,357,923 89
And of appropriations and demands on account of the public debt, made and arising during the year 1815, amounting to	32,703,948 06
	<u>\$50,061,871 95</u>

## OF THE WAYS AND MEANS OF THE TREASURY FOR THE YEAR 1815.

These ways and means may be considered in a two-fold aspect: 1. As to the ways and means placed by the laws within the power of the Treasury; and, 2. The amount capable of being realized, or made actually available by the Treasury, during the year.

Under the first view the ways and means consisted,—

1. Of the cash in the Treasury at the commencement of the year, which amounted to	\$1,526,998 63
2. Of the outstanding revenue, which accrued prior to the year 1815, and remained unpaid at its commencement, estimated, exclusive of the sums due for public lands, at about	4,600,000 00
3. Of the revenue accruing in the year 1815, estimated at \$38,850,000, viz:	
Customs,	\$25,000,000
Direct tax, nett product,	5,400,000
Internal duties, nett product,	7,000,000
Public lands,	1,000,000
Postage and other incidental receipts,	450,000
	<u>38,850,000 00</u>
4. Of the unexecuted authority to borrow money and issue Treasury notes, conferred by acts of Congress, passed prior to the year 1815, viz:	
The loan act of March 14, 1812,	\$765,300
The loan act of March 24, 1814,	8,562,119
The loan act of November 15, 1814,	3,000,000
	<u>12,327,419 00</u>
Treasury note act of March 4, 1814,	\$2,772,720
Treasury note act of December 26, 1814,	8,600,000
	<u>11,372,720 00</u>
5. Of the authority to borrow money and issue Treasury notes, conferred by acts of Congress, passed in the year 1815, viz:	
The loan act of March 3, 1815,	\$18,452,800
The loan act of February 13, 1815, (for public buildings in Washington,)	500,000
Treasury note act of February 24, 1815, (exclusive of the re-issues authorized by this act,	25,000,000
	<u>43,952,800 00</u>
	<u>\$112,629,937 63</u>

This great apparent surplus of ways and means within the power of the Treasury arose, in part, from the great increase in the amount of the customs accruing in the year 1815, which, instead of \$4,000,000, the amount estimated prior to the peace, will, probably, in consequence of that event, amount to the sum of \$25,000,000, as here stated. A great portion also of the sums authorized to be borrowed, or raised upon Treasury notes, it was evident could not be obtained or raised within the year; and the several successive acts by which the authority was given, although they were nominally accumulative, were, actually, the result of attempts to vary or modify this authority in such way as to render it more easy or more effectual in its execution.

The second view of the ways and means for the year 1815 exhibits the amount actually realized and received into the Treasury during the year. As the year is not yet terminated this can only be given by way of estimate. The result will, probably, not differ materially from the following:

1. Cash in the Treasury at the commencement of the year,	\$1,526,998 63
2. Receipts from revenue, including that which was outstanding at the commencement of the year, viz:	
Customs,	\$8,000,000
Direct tax,	2,200,000
Internal duties,	4,700,000
Public lands,	1,000,000
Postage and other incidental receipts,	450,000
	<u>16,350,000 00</u>
3. Receipts from loans and Treasury notes:	
LOANS—Under the act of March 14, 1812,	\$50,000 00
Under the act of November 15, 1814,	950,000 00
Under the act of March 3, 1815,	\$9,284,044 38
Under the act of March 3, 1815, temporary,	650,000 00
	<u>9,934,044 38</u>
Under the act of Feb. 13, 1815, temporary,	100,000 00

Amount actually borrowed to the 30th of September, 1815, per statements annexed, marked G and K, -	\$11,034,044 38
Amount estimated to be borrowed from the 1st October, to December 31, 1815, -	3,000,000 00
	<u>\$14,034,044 38</u>

TRASURY NOTES.—Amount issued prior to the 1st of October, 1815.

1. Treasury notes bearing interest:			
Under the act of March 4, 1814, -	-	-	\$2,772,720
Under the act of December 26, 1814, -	-	-	8,318,400
Under the act of February 24, 1815, -	-	-	694,600
			<u>\$11,785,720</u>
Per statement annexed, marked L, -	-	-	\$11,785,720
2. Small Treasury notes not bearing interest, under the act of February 24, 1815. -	-	-	4,152,850
Amount issued and re-issued, per statement annexed, marked E, -	-	-	4,152,850
			<u>\$15,938,570</u>
Amount estimated to be issued and re-issued from October 1, to December 31, 1815, -	-	-	1,000,000
			<u>16,938,570 00</u>
			<u>30,972,614 38</u>
Making the total amount estimated to be actually received into the Treasury during the year 1815, -	-	-	<u>\$48,849,613 01</u>

The application of the moneys actually received into the Treasury, during the year 1815, will be as follows: To the 30th of September the payments have amounted to the following sums nearly, the accounts not being yet made up, the precise amount cannot be given.

For civil, diplomatic, and miscellaneous expenses, -	-	-	\$2,537,000 00
For military service, -	-	-	15,190,144 71
For naval service, -	-	-	7,050,000 25
For public debt, (exclusive of the sum of \$300,000, repaid by the Commissioner of Loans for Georgia,) -	-	-	8,909,178 22
			<u>33,686,323 18</u>

During the fourth quarter of the year the payments are estimated to amount to the following sums, viz:

For civil, diplomatic, and miscellaneous expenses, -	-	-	\$500,000
For naval service, -	-	-	1,500,000
For public debt to the 1st of January, 1816, inclusive, -	-	-	3,000,000
			<u>5,000,000 00</u>

As the receipts into the Treasury during the year have been estimated at -

The sum left in the Treasury, at the end of the year, will be -

And will consist principally of Treasury notes, paid on account of the revenue and of loans.

#### OF THE ESTIMATES OF THE PUBLIC REVENUE AND EXPENDITURES FOR 1816.

In the consideration of this subject it is proper to premise, that the revenue of 1816 must be charged with the payment of a considerable amount of the unliquidated debts incurred during the war; and, consequently, that the proportions of revenue and expenditure for that year cannot be reduced by the scale of a peace establishment. The arrearages in the War and Navy Departments are generally the outstanding balance of the floating public debt, including Treasury notes and temporary loans, must be satisfied, before a permanent and uniform arrangement of the finances can be effected; but it is believed that the period of a single year will be sufficient for that purpose.

It is also proper to premise that, although the estimates of the demands on the Treasury for 1816 may be satisfactorily made, there is no settled ground upon which estimates of the ways and means can be confidently formed. The entire system of external and internal taxation must necessarily be revised during the present session of Congress; and the sources as well as the product of the public revenue can only be ascertained from the result of the legislative deliberations. In order, however, to obviate this difficulty as far as it is practicable, distinct statements will be presented for 1816: 1st. Of the probable demands of the Treasury; 2dly. Of the revenue, estimated according to the laws now in force; and, 3dly. Of the revenue, estimated according to the modifications, which will be respectfully submitted.

#### 1. Of the probable demands on the Treasury.

The amount of the civil, diplomatic, and miscellaneous expenses, is estimated at the sum of -	\$1,800,000
The amount of the military expenses is estimated at the sum of -	14,549,246
For the military establishment of 1816, -	\$5,112,159
For the arrearages of 1815, beyond the amount of the appropriations, -	9,437,087
	<u>\$14,549,246</u>

The amount of the naval expenses (supposing them to be reduced on the peace establishment to one half of the amount appropriated for 1815, and adding the annual appropriation of 200,000 dollars for the purchase of timber) is estimated at the sum of -	2,716,510
The amount of the payments required on account of the public debt, is estimated at the sum of -	23,818,513
	<u>\$42,884,269</u>

For the interest and annual reimbursement of the principal of the funded debt prior to the war, -	\$3,460,000
For the interest on the funded debt created since the war, estimated on a capital of \$70,000,000, -	4,200,000
For the balance of principal and interest on Treasury notes of every denomination now due or payable in 1815 and 1816, or estimated to be paid in those years, by being received for duties and taxes, as set forth in the annexed table, marked L, -	15,458,513
For the amount of temporary loans, due to the State bank of Boston, (500,000 dollars,) and the Mechanic's bank of New York, (200,000 dollars,) -	700,000
	<u>\$23,818,513</u>

From this aggregate of the demands for 1816, the charges of a temporary nature being deducted, to wit: deduct the amount of the arrearages for the military services of 1815, -	\$9,437,087
And the amount of the floating debt to be liquidated in 1816, -	16,158,513
	<u>\$25,595,600</u>

There will remain as the probable annual expenditure of the peace establishment, independent of any addition to the sinking fund, the sum of \$17,288,669

*2d. Of the revenue for 1816, estimated according to the laws now in force.*

By the laws now in force the revenue arising from customs, during the year 1816, will be affected in the following manner: The present rates of duties continue until the 18th of February, 1816, when the duty on salt imported will cease, and the rates of duties on merchandise of every description, imported in American vessels, will fall to one-half of the existing amount, with the exception of certain manufactured articles, being of the same kinds as the manufactured articles on which internal duties have been imposed; the duties on the imported articles continuing at the existing rates, so long as the existing internal duties shall be continued upon the corresponding articles of domestic manufacture. On the 18th of February the extra duties on merchandise imported in foreign vessels, which is now 15½ per cent. on the amount of the duty in American vessels, will fall to 10 per cent. on that amount, and the tonnage duty on foreign vessels, which is now \$2 per ton, will fall to fifty cents per ton. The extra duty is, also, liable to be affected by the operation of the act for abolishing all discriminating duties upon a basis of natural reciprocity.

By the laws now in force the revenue arising from internal duties will be effected in the following manner: The duties on bank notes, on notes discounted by banks, and bills of exchange, (commonly called the stamp duties,) and the duty on refined sugar, will cease on the 18th of February, 1816. All the other internal duties, together with the direct tax, and the increased rates of postage, will continue.

Under these circumstances the revenue which will *accrue* to the United States, during the year 1816, is estimated as follows:

From customs, -	\$13,000,000
internal duties, -	7,000,000
direct tax, (nett produce to the Treasury,) -	5,600,000
sales of public lands, -	1,000,000
postage and incidental receipts, -	400,000
	<u>\$27,000,000</u>

The sums actually *receivable* into the Treasury, during the year, are estimated as follows:

From customs, -	\$20,000,000
internal duties, -	6,500,000
direct tax, including arrears of 1815, -	8,500,000
the sales of public lands, -	1,000,000
postage and incidental receipts, -	400,000
	<u>\$36,400,000</u>

If to this be added the probable amount of money in the Treasury, at the commencement of the year 1816, which may be estimated, exclusive of Treasury notes paid in, previously to that time, on account of revenue and of loans, at the sum of \$3,000,000

The effective ways and means of 1816 will produce, in the whole, the sum of \$39,400,000  
But as the demands upon the Treasury, for the same year, will amount, as above stated, to 42,884,269

There will be left a deficit, to be supplied by means other than the revenue, of the sum of \$3,484,269

*3. Of the revenue for 1816, estimated according to the modifications which will be respectfully submitted.*

From the review of the financial measures of the Government, in reference to the recent state of war, which constitutes the first part of the present report, it appears that the almost entire failure of the customs, or duties on importations, and the increasing necessities of the Treasury, rendered it necessary to seek for pecuniary supplies in a system of internal duties; but both in respect to the subjects of taxation, and to the amount of the several taxes, the return of peace has always been contemplated as a period for revision and relief. In the fulfilment of that policy, a reduction of the direct tax; a discontinuance of taxes which, upon trial, have proved unproductive as well as inconvenient; and, above all, the exoneration of domestic manufactures from every charge that can obstruct or retard their progress, seem to be the objects that particularly invite the legislative attention. There will still remain, however, a sufficient scope for the operation of a permanent system of internal duties upon those principles of national policy which have already been respectfully suggested.

As an equivalent for the diminution of the revenue, by the contemplated abolition or reduction of some of the duties and taxes, and in observance of the public faith which is pledged, in the case of such abolition or reduction, to provide and substitute other duties and taxes equally productive, it is intended respectfully to recommend a continuance of the duty on imported salt, and a competent addition to the permanent rates of the duties on merchandise imported. In the general tariff which has been directed by a resolution of the House of Representatives to be prepared, and which will be submitted to Congress as soon as the materials for forming it can be digested and arranged, the subject will be more distinctly, as well as more satisfactorily, presented; but, as it is not probable that this measure can be so matured as to go into operation on the 18th of February next, it becomes necessary to suggest the expediency of continuing the present rates of duties until the 30th of June, when the new rates, with all the necessary details to give effect to the system, may be introduced, and sufficient notice be given to the merchants, to regulate their commercial operations accordingly.

In relation, then, to the internal duties, it is intended respectfully to recommend that the duties imposed at the last session of Congress, on various articles manufactured within the United States, shall be abolished on the 18th day of April next, which will complete the year, commencing from the time the duties went into operation; that the duty imposed during the last session of Congress, on spirits distilled within the United States, shall be abolished on the 30th day of June next, but that, at the same time, there be added 100 per cent. on the rate of the duty which had been charged on licenses to distillers of spirituous liquors in the year 1813; that the duty on household furniture, and on gold and silver watches, be abolished on the 31st day of March next; that the additional duty imposed during the last session of Congress, on licenses to retail wines, spirituous liquors, and foreign merchan-

dise, be abolished on the 31st day of December, 1816; and that the duties on refined sugar, and the stamp duties be continued; and, finally, in relation to the direct tax it is intended respectfully to recommend that, on the 31st day of March next, it be reduced to one-half of its present amount; that is, to the annual amount of \$3,000,000.

The subtraction from the revenue by these changes and reductions in the direct tax, and the internal duties, is estimated at the annual sum of \$7,000,000. But the substitutes for supplying the equivalent amount are estimated to produce, 1st, from the increase of the duty on licenses to distillers, and the continuance of the stamp duties, and duties on refined sugar, the annual sum of \$1,500,000; 2nd, from the continuance of the duty on imported salt, the annual sum of \$500,000; and, 3d, from an increase upon the permanent rates of duties on the importation of foreign merchandise, the annual sum of \$5,000,000.

The full effect of the alterations which have been stated will not be developed until some time after the year 1816; but if they be adopted the state of the revenue, for that year, in the two views of which it is susceptible, 1st, of revenue accruing during the year, and, 2ndly, of money receivable into the Treasury during the year, may be estimated as follows:

1. The revenue which will <i>accrue</i> in 1816 may be estimated—	
From customs, - - - - -	\$17,000,000
From internal duties, - - - - -	4,500,000
From direct tax, (nett product to the Treasury,) - - - - -	2,700,000
From sales of public lands, - - - - -	1,000,000
From postage and incidental receipts, - - - - -	400,000
	\$25,600,000

2. The moneys which will be actually <i>receivable</i> into the Treasury, from revenue, in 1815, may be estimated—	
From the customs, - - - - -	\$21,000,000
From internal duties, - - - - -	5,000,000
From direct tax, including arrears of 1815, - - - - -	6,000,000
From sales of public lands, - - - - -	1,000,000
From postage and incidental receipts, - - - - -	400,000
	\$33,400,000

If to the sum thus estimated to be receivable into the Treasury, from the revenue, during the year 1816, - - - - -	\$33,400,000
There be added the money which will probably be in the Treasury at the beginning of the year, - - - - -	3,000,000
	36,400,000
The aggregate will be the sum of - - - - -	42,884,269
And the demands being estimated, as above, at - - - - -	
There will be left a deficit of - - - - -	6,484,269

It is here, however, to be recollected, that the estimate of the demands on the Treasury comprehends the gross amount of the arrearages of the War Department, and a provision for the whole of the floating public debt; and although, for the purposes of a legislative appropriation, the aggregate of the expenditures to be authorized for the year 1816 is necessarily made the basis of the official estimates, yet the uniform experience of the Treasury evinces that the demands for a considerable portion of the annual appropriation will not be made during the year.

It may also be observed, that to raise a revenue by the imposition, or even by the continuance, of taxes, adequate to the immediate discharge of every unliquidated demand upon the Treasury, at the close of an expensive war, seems hardly to be necessary under the present circumstances of the country. The product of the revenue arranged in the manner which has been stated, may be estimated, after the year 1816, at an annual amount, nearly four millions greater than the sum required for the interest on the public debt, and for the probable expenses of the peace establishment. If the public debt, therefore, were increased in the year 1816, by a sum equal to the whole amount of the deficit as above stated, an equivalent reduction would be effected in less than two years. The unexecuted authority to borrow money, and to issue Treasury notes, already provided by the acts of Congress, is sufficient to enable the Treasury to meet the deficit in either of these modes, and consequently no further legislative aid (except, perhaps, in the modification of the issues of Treasury notes) appears at this time to be required.

### III.—PROPOSITIONS FOR THE IMPROVEMENT AND MANAGEMENT OF THE REVENUE, AND FOR THE SUPPORT OF PUBLIC CREDIT.

The propositions which are now to be respectfully submitted, relate: 1. To the revenue: 2. To the sinking fund: and 3. To the national circulating medium.

#### 1. *Propositions relating to the revenue.*

The changes contemplated in the revenue, on the estimates of a peace establishment, having been already stated as the intended objects of recommendation, it is only now necessary to submit to the consideration of Congress the measures requiring their sanction for carrying the plan into effect.

First. It is respectfully proposed that the act of the 1st of July, 1812, imposing an additional duty of 100 per cent. upon the permanent duties on goods, wares, and merchandise imported into the United States from any foreign port or place, and the act of the 29th of July, 1813, imposing a duty upon imported salt, be continued in force until the 30th day of June, 1816.

Second. It is respectfully proposed that the act of the 24th of July, 1813, imposing a duty on sugar refined within the United States, and the act of the 2d of August, 1813, imposing a duty on bank notes, notes discounted, and bills of exchange, be continued by law, in force, without limitation, but with proper amendments to render the collection of the duties more equal, and more certain; and that the act of the 15th of December, 1814, imposing duties on carriages and the harness therefore; and that so much of the act of the 23d of December, 1814, as relates to the duties on sales at auction, and to the increasing of the rates of postage, be allowed to remain in force.

Third. It is respectfully proposed that there be a reduction or modification in the following taxes and duties:

1. That the direct tax be reduced from six millions to three millions of dollars, for the year 1816, and for each succeeding year.

2. That the duties on distilled spirits be discontinued after the 30th day of June, 1816; and that the duty on licenses to distillers be raised on that day to double the amount fixed by the act of the 24th of July, 1813.



3. That the duties on licenses to retailers of wines, spirituous liquors, and foreign merchandise, be reduced to the rates of the year 1813, with proper regard to the periods when licences commence and expire.

Fourth. It is respectfully proposed that the act of the 18th of January, 1815, and the act of the 27th of February, 1815, imposing duties on various articles manufactured, or made for sale within the United States, and the act of the 18th of January, 1815, imposing duties on household furniture, and watches, be absolutely and entirely repealed.

Fifth. It is respectfully proposed that the act of the 3d of March, 1815, further to provide for the collection of the duties on imports and tonnage, and the act of the 3d of March, 1815, to fix the compensations, and increase the responsibility of the collectors of the direct tax, and internal duties, and for other purposes connected with the collection thereof, so far as it relates to the compensation of the collectors of the direct tax and internal duties, be continued in force without limitation.

### 2. Proposition relating to the sinking fund.

The sinking fund, as it is at present constituted, amounts to the annual sum of	-	-	<u>\$8,000,000</u>
It is charged, in the first instance, with the payment of the interest, and the annual reimbursement of the principal of the old funded debt, which will require for 1816, and each of the two ensuing years, the sum of	-	-	<u>\$3,460,000</u>
And it is charged with the payment of the interest, and the eventual reimbursement of the principal of the new funded debt. The interest computed on a capital of \$70,000,000, will require for the year 1816, and each subsequent year, the sum of	-	-	<u>4,200,000</u>
The total present charge on the sinking fund, on account of the funded debt, being the annual sum of	-	-	<u>\$7,660,000</u>

In 1818 the fund will be released from the annual charge of \$1,380,000, accruing upon the old six per cent. stock, as the stock will be then paid and extinguished; but in the same year it will be subjected to a charge of \$3,000,000, for the first instalment of the principal of the Louisiana stock, which will then become payable. In each of the two succeeding years a similar sum will be payable; and, in the year 1821, such sum will be payable as may be necessary to complete the reimbursement of that stock, and which is estimated at \$1,923,500.

The sinking fund is, also, at present charged with the payment of the principal and interest of the Treasury notes issued under the act of the 4th of March, 1814, and prior acts, and of certain temporary loans obtained under the loan acts of 1812, and of subsequent years. The several acts charging these payments on the sinking fund have directed that such sums, in addition to the annual appropriation of \$8,000,000, should be taken from any moneys in the Treasury not otherwise appropriated, as should be necessary to meet and satisfy the demand. The temporary loans and Treasury notes will, therefore, be probably paid or absorbed in 1817; and it is deemed unnecessary, for the present purpose, to include them in the consideration of the form and extent, which it is proposed to give to the sinking fund in that year.

In 1803, when the sinking fund was established on its present footing, the principal of the public debt was about \$86,000,000, and the interest annually payable upon it about \$4,500,000. At that time there was assigned to the sinking fund, out of the public revenue, \$8,000,000, of which about \$3,500,000 were annually applicable to the reduction of the principal of \$86,000,000.

At the commencement of the year 1817 it is estimated that the principal of the funded debt will amount to \$110,000,000, requiring the sum of \$6,150,000 for the payment of its annual interest. If a sum, applicable to the reduction of the principal of the debt were now to be assigned, bearing the same proportion to that principal which the sum assigned in 1804 then bore to the principal, it would amount to about \$4,350,000. When it is added, therefore, to the sum of \$6,150,000, which is necessary for the payment of the interest, there would be required for the amount now to be set apart, to constitute the sinking fund, the sum of \$10,500,000 per annum. It is proposed, however, to carry the amount only to the sum of \$10,000,000, which will allow about \$3,850,000 as applicable to the reduction of the principal of the debt; a sum sufficient, if strictly and regularly applied without interruption, upon a compound principle, to pay off the whole of the funded debt in a period less than eighteen years.

Upon these grounds, then, the Secretary of the Treasury respectfully submits the following proposition:

That, in the year 1817, and annually in every subsequent year, there be appropriated the sum of \$2,000,000, in addition to the sum of \$8,000,000 now annually appropriated for the payment of the interest and principal of the public debt: that the payment of this additional sum be made out of the proceeds of the revenue derived from the customs, the sales of public lands, and the internal duties, or from either of them, available after the payment of the sums, for which they are now respectively pledged or appropriated; and that the said additional sum of \$2,000,000 annually be payable to the commissioners of the sinking fund, to be applied by them in the same manner as the moneys which they are now entitled by law to receive; that is to say, 1st, to the payment of the interest on the public funded debt; 2ndly, to the reimbursement of the principal, from time to time, as the same, or any portion of it, shall become reimbursable, according to the terms of the contracts by which it has been created; and, 3dly, after having answered these purposes, if there shall remain a surplus at their disposal, to the purchase of such parts of the public funded debt, as shall appear to them to be most for the advantage of the United States, in the manner prescribed by law, and at a rate not exceeding the par value.

### 3. Proposition relating to the national circulating medium.

The delicacy of this subject is only equalled by its importance. In presenting it, therefore, to the consideration of Congress, there is occasion for an implicit reliance upon the legislative indulgence.

By the constitution of the United States Congress is expressly vested with the power to coin money, to regulate the value of the domestic and foreign coins in circulation, and, as a necessary implication from positive provisions, to emit bills of credit, while it is declared by the same instrument that "no State shall coin money, or emit bills of credit." (1) Under this constitutional authority the money of the United States has been established, by law, consisting of coins made with gold, silver, or copper. (2) All foreign gold and silver coins, at specified rates, were placed, in the first instance, upon the same footing with the coins of the United States, but they ceased (with the exception of Spanish milled dollars, and parts of such dollars) to be a legal tender for the payment of debts and demands, in the year 1809. (3)

(1) Constitution, Art. 1. Sec. 8. 10.

(2) See 2 vol. 37, 120, 158, 161.—3 vol. 7, 221, 316.—4 vol. 62, 375, 395.

(3) See 2 vol. 161.—4 vol. 62.—8 vol. 66.

The constitutional authority to emit bills of credit has also been exercised in a qualified and limited manner. During the existence of the Bank of the United States the bills or notes of the corporation were declared, by law, to be receivable in all payments to the United States; and the Treasury notes, which have been since issued for the services of the late war, have been endowed with the same quality. But Congress has never recognised, by law, the notes of any other corporation; nor has it ever authorized an issue of bills of credit to serve as a legal currency. The acceptance of the notes of banks, which are not established by the federal authority, in payments to the United States, has been properly left to the vigilance and discretion of the Executive department; while the circulation of the Treasury notes, employed either to borrow money, or to discharge debts, depends entirely (as it ought to depend) upon the option of the lenders and creditors to receive them.

The constitutional and legal foundation of the monetary system of the United States is thus distinctly seen, and the power of the federal Government to institute and regulate it, whether the circulating medium consist of coin or of bills of credit, must, in its general policy, as well as in the terms of its investment, be deemed an exclusive power. It is true that a system depending upon the agency of the precious metals will be affected by the various circumstances which diminish their quantity, or deteriorate their quality. The coin of a State sometimes vanishes under the influence of political alarms; sometimes in consequence of the explosion of mercantile speculations, and sometimes by the drain of an unfavorable course of trade. But whenever the emergency occurs that demands a change of system it seems necessarily to follow that the authority, which was alone competent to establish the national coin, is alone competent to create a national substitute. It has happened, however, that the coin of the United States has ceased to be the circulating medium of exchange, and that no substitute has hitherto been provided by the national authority. During the last year the principal banks, established south and west of New England, resolved that they would no longer issue coin in payment of their notes, or of the drafts of their customers, for money received upon deposit. In this act the Government of the United States had no participation, and yet the immediate effect of the act was to supersede the only legal currency of the nation. By this act, although no State can constitutionally emit bills of credit, corporations, erected by the several States, have been enabled to circulate a paper medium, subject to many of the practical inconveniences of the prohibited bills of credit.

It is not intended, upon this occasion, to condemn, generally, the suspension of specie payments; for appearances indicated an approaching crisis, which would probably have imposed it as a measure of necessity, if it had not been adopted as a measure of precaution. But the danger which originally induced, and perhaps justified, the conduct of the banks, has passed away, and the continuance of the suspension of specie payments must be ascribed to a new series of causes. The public credit and resources are no longer impaired by the doubts and agitations excited during the war by the practices of an enemy, or by the inroads of an illicit commerce: yet the resumption of specie payments is still prevented, either by the reduced state of the national stock of the precious metals, or by the apprehension of a further reduction to meet the balances of foreign trade, or by the redundant issues of bank paper. The probable direction and duration of these latter causes constitute, therefore, the existing subject for deliberation. While they continue to operate, singly or combined, the authority of the States individually, or the agency of the State institutions, cannot afford a remedy commensurate with the evil; and a recurrence to the national authority is indispensable for the restoration of a national currency.

In the selection of the means for the accomplishment of this important object, it may be asked, 1st. Whether it be practicable to renew the circulation of the gold and silver coins? 2d. Whether the State banks can be successfully employed to furnish a uniform currency? 3dly. Whether a national bank can be employed more advantageously than the State banks for the same purpose? and, 4thly. Whether the Government can itself supply, and maintain a paper medium of exchange, of permanent and uniform value, throughout the United States?

1. As the United States do not possess mines of gold or silver the supply of those metals must, in a time of scarcity, be derived from foreign commerce. If the balance of foreign commerce be unfavorable the supply will not be obtained incidentally, as in the case of the returns for a surplus of American exports, but must be the subject of a direct purchase. The purchase of bullion is, however, a common operation of commerce, and depends, like other operations, upon the inducements to import the article.

The inducements to import bullion arise, as in other cases, from its being cheap abroad, or from its being dear at home. Notwithstanding the commotions in South America, as well as in Europe, there is no reason to believe that the quantity of the precious metals is now (more than at any former period) insufficient for the demand throughout the commercial and civilized world. The price may be higher in some countries than in others; and it may be different in the same country, at different times; but, generally, the European stock of gold and silver has been abundant, even during the protracted war, which has afflicted the nations of Europe.

The purchase of bullion in foreign markets, upon reasonable terms, is, then, deemed practicable; nor can its importation into the United States fail eventually to be profitable. The actual price of gold and silver in the American market would in itself afford, for some time, an ample premium, although the fall in the price must, of course, be proportionate to the increase of the quantity. But it is within the scope of a wise policy to create additional demands for coin, and, in that way, to multiply the inducements to import and retain the metals of which it is composed. For instance, the excessive issue of bank paper has usurped the place of the national money; and, under such circumstances, gold and silver will always continue to be treated as an article of merchandise; but it is hoped that the issue of bank paper will be soon reduced to its just share in the circulating medium of the country; and, consequently, that the coin of the United States will resume its legitimate capacity and character. Again, the Treasury, yielding, from necessity, to the general impulse, has hitherto consented to receive bank paper in the payment of duties and taxes; but the period approaches when it will probably become a duty to exact the payment either in Treasury notes, or in gold or silver coin, the lawful money of the United States. Again, the institutions which shall be deemed proper, in order to remove existing inconveniences, and to restore the national currency, may be so organized, as to engage the interest and enterprise of individuals in providing the means to establish them. And, finally, such regulations may be imposed upon the exportation of gold and silver, as will serve in future to fix and retain the quantity required for domestic uses.

But it is further believed that the national stock of the precious metals is not so reduced, as to render the operation of reinstating their agency in the national currency either difficult or protracted. The quantity actually possessed by the country is considerable; and the resuscitation of the public confidence in bank paper, or in other substitutes for coin, seems alone to be wanting to render it equal to the accustomed contribution for a circulating medium. In other countries, as well as in the United States, the effect of an excessive issue of paper money, to banish the precious metals, has been seen; and, under circumstances much more disadvantageous than the present, the effect of public confidence in national institutions, to recall the precious metals to their uses in exchange, has also been experienced.

Even, however, if it were practicable, it has sometimes been questioned whether it would be politic again to employ gold and silver for the purposes of a national currency. It was long and universally supposed that, to maintain a paper medium without depreciation, the certainty of being able to convert it into coin was indispensable;

nor can the experiment which has given rise to a contrary doctrine be deemed complete or conclusive. But whatever may be the issue of that experiment elsewhere, a difference in the structure of the Government, in the physical, as well as the political, situation of the country, and in the various departments of industry, seem to deprive it of any important influence, as a precedent for the imitation of the United States.

In offering these general remarks to the consideration of Congress it is not intended to convey an opinion that the circulation of the gold and silver coins can at once be renewed. Upon motives of public convenience the gradual attainment of that object is alone contemplated; but a strong, though respectful, solicitude is felt that the measures adopted by the Legislature should invariably tend to its attainment.

2d. Of the services rendered to the Government by some of the State banks during the late war, and of the liberality by which some of them are actuated in their intercourse with the Treasury, justice requires an explicit acknowledgment. It is a fact, however, incontestably proved, that those institutions cannot, at this time, be successfully employed to furnish a uniform national currency. The failure of one attempt to associate them with that view has already been stated. Another attempt, by their agency in circulating Treasury notes, to overcome the inequalities of the exchange, has only been partially successful. And a plan recently proposed, with the design to curtail the issues of bank notes, to fix the public confidence in the administration of the affairs of the banks, and to give to each bank a legitimate share in the circulation, is not likely to receive the general sanction of the banks. The truth is, that the charter restrictions of some of the banks, the mutual relation and dependence of the banks of the same State, and even of the banks of different States, and the duty which the directors of each bank conceive they owe to their immediate constituents, upon points of security or emolument, interpose an insuperable obstacle to any voluntary arrangement, upon national considerations alone, for the establishment of a national medium through the agency of the State banks. It is, nevertheless, with the State banks that the measures for restoring the national currency of gold and silver must originate; for, until their issues of paper be reduced, their specie capitals be reinstated, and their specie operations be commenced, there will be neither room, nor employment, nor safety, for the introduction of the precious metals. The policy and the interest of the State banks must, therefore, be engaged in the great fiscal work, by all the means which the Treasury can employ, or the legislative wisdom shall provide.

3d. The establishment of a national bank is regarded as the best, and, perhaps, the only adequate resource to relieve the country and the Government from the present embarrassments. Authorized to issue notes, which will be received in all payments to the United States, the circulation of its issues will be co-extensive with the Union, and there will exist a constant demand, bearing a just proportion to the annual amount of the duties and taxes to be collected, independent of the general circulation for commercial and social purposes. A national bank will, therefore, possess the means and the opportunity of supplying a circulating medium of equal use and value in every State, and in every district of every State. Established by the authority of the Government of the United States, accredited by the Government to the whole amount of its notes in circulation, and entrusted as the depository of the Government with all the accumulations of the public treasure, the national bank, independent of its immediate capital, will enjoy every recommendation which can merit and secure the confidence of the public. Organized upon principles of responsibility, but of independence, the national bank will be retained within its legitimate sphere of action, without just apprehension from the misconduct of its directors, or from the encroachments of the Government. Eminent in its resources, and in its example, the national bank will conciliate, aid, and lead, the State banks in all that is necessary for the restoration of credit, public and private. And acting upon a compound capital, partly of stock, and partly of gold and silver, the national bank will be the ready instrument to enhance the value of the public securities, and to restore the currency of the national coin.

4th. The power of the Government to supply and maintain a paper medium of exchange will not be questioned; but, for the introduction of that medium, there must be an adequate motive. The sole motive for issuing Treasury notes has, hitherto, been to raise money in anticipation of the revenue. The revenue, however, will probably become, in the course of the year 1816, and continue afterwards, sufficient to discharge all the debts, and to defray all the expenses of the Government; and, consequently, there will exist no motive to issue the paper of the Government as an instrument of credit.

It will not be deemed an adequate object for an issue of the paper of the Government, merely that it may be exchanged for the paper of the banks, since the Treasury will be abundantly supplied with bank paper by the collection of the revenue; and the Government cannot be expected to render itself a general debtor, in order to become the special creditor of the State banks.

The co-operation of the Government with the national bank, in the introduction of a national currency, may, however, be advantageously employed by issues of Treasury notes, so long as they shall be required for the public service.

Upon the whole, the state of the national currency, and other important considerations connected with the operations of the Treasury, render it a duty respectfully to propose—

That a national bank be established at the city of Philadelphia, having power to erect branches elsewhere, and that the capital of the bank (being of a competent amount) consist of three-fourths of the public stock, and one-fourth of gold and silver.

All which is respectfully submitted.

A. J. DALLAS, *Secretary of the Treasury.*

TREASURY DEPARTMENT, December 6, 1815.

## A.

Statement of the aggregate amount of the receipts and expenditures at the Treasury of the United States for each year from the commencement of the present Government to the year 1814.

To end of year.	Total amount received.	Total amount expended.	To end of year.	Total amount received.	Total amount expended.
1791	\$4,771,342 43	\$3,797,436 78	1803	\$11,064,097 63	\$11,258,983 67
1792	8,772,456 76	8,962,920 00	1804	11,826,307 38	12,615,113 72
1793	6,450,195 15	6,479,977 97	1805	13,560,693 20	13,598,309 47
1794	9,439,855 65	9,041,593 17	1806	15,559,931 07	15,021,196 26
1795	9,515,758 59	10,151,240 15	1807	16,398,019 26	11,292,292 99
1796	8,740,329 26	8,367,776 84	1808	17,060,661 93	16,762,702 04
1797	8,758,780 99	8,625,877 37	1809	7,773,473 12	13,867,226 30
1798	8,179,170 80	8,583,618 41	1810	12,134,214 28	13,309,994 49
1799	12,546,813 31	11,002,396 97	1811	14,422,634 09	13,592,604 86
1800	12,413,978 34	11,952,534 12	1812	22,639,032 76	22,279,121 15
1801	12,945,455 95	12,273,376 94	1813	40,524,844 95	39,190,520 36
1802	14,995,793 95	13,270,487 31	1814	34,878,432 25	38,547,915 62

## B.

Table of duties imposed on goods, wares, and merchandise manufactured within the United States or the Territories thereof, by the acts of the 18th of January and 27th of February, 1815.

Articles.	Rates of duty.
Pig iron, bar iron, rolled or slit iron, per ton,	1 dollar.
Castings of iron per ton,	1 dollar 50 cents.
Nails, brads, and sprigs, other than those usually denominated wrought, per pound,	1 cent.
Candles of white wax, or in part of white and other wax, per pound,	5 cents.
Mould candles of tallow, or of wax other than white, or in part of each per pound,	3 cents.
Hats and caps, in whole or in part of leather, wool, or furs; bonnets in whole or in part of wool or fur, if above two dollars in value; hats of chip or wood covered with silk or other materials, or not covered, if above two dollars in value,	8 per cent. ad val.
Umbrellas and parasols, if above the value of two dollars,	8 per cent. ad val.
Paper,	3 per cent. ad val.
Playing and visiting cards,	50 per cent. ad val.
Saddles and bridles,	6 per cent. ad val.
Boots and bootees, exceeding five dollars per pair in value,	5 per cent. ad val.
Beer, ale, and porter,	6 per cent. ad val.
Tobacco manufactured, segars and snuff,	20 per cent. ad val.
Leather, including therein all kinds of skins whether tanned, tawed, dressed, or otherwise made,	5 per cent. ad val.
Gold, silver and plated ware, and jewellery and paste work, except timepieces,	6 per cent. ad val.

C.

Statement of the public debt on the 1st day of January, in each of the years from 1791 to 1815, inclusive.

	1791.	1792.	1793.	1794.	1795.	1796.	1797.	1798.	1799.
Foreign debt, - - - - -	\$12,812,831 92	\$14,561,871 41	\$15,494,248 08	\$14,308,411 16	\$14,727,710 85	\$11,939,000 00	\$11,939,000 00	\$11,059,000 00	\$10,979,000 00
Domestic debt, viz:									
Six per cent. and deferred stocks, - - - - -	1,143,106 28	6,359,296 47	37,722,698 07	37,790,327 02	41,705,774 79	41,273,425 27	40,769,901 28	40,143,208 49	39,460,076 00
Three per cent. stock, - - - - -	425,911 33	3,346,965 09	17,756,419 69	17,981,215 88	18,901,197 32	18,974,390 56	19,019,871 28	19,024,120 84	19,036,945 13
Five and a half per cent. stock, - - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	1,848,900 00	1,848,900 00	1,847,500 00	1,847,500 00
Four and a half per cent. stock, - - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	176,000 00	176,000 00	176,000 00	176,000 00
Six per cent. (of 1796) stock, - - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	80,000 00	80,000 00	80,000 00
Navy six per cent. stock, - - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -
Eight per cent. stock, - - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -
Louisiana six per cent. stock, - - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -
Exchange six per cent. stock, - - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -
Converted six per cent. stock, - - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -
Six per cent. stock of 1812, - - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -
Six per cent. stock of 1813, - - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -
Six per cent. stock of 1814, - - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -
Temporary loans, - - - - -	- - - - -	- - - - -	2,556,595 56	2,400,000 00	4,500,000 00	6,200,000 00	5,120,000 00	3,840,000 00	3,840,000 00
Treasury notes, - - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -
Old unfunded debt, - - - - -	61,081,626 99	52,959,791 69	6,822,742 64	5,947,450 71	912,904 43	3,350,456 24	3,110,806 77	3,058,699 79	2,989,148 64
American claims assumed by the Louisiana convention, - - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -
Total amount due to individuals, - - - - -	75,463,476 52	77,227,924 66	80,352,634 04	75,427,404 77	80,747,587 39	83,762,172 07	82,064,479 33	79,228,529 12	78,408,669 79
Deduct payment made by the Treasury on account of subsequent years, - - - - -	293,502 31	854,157 50	2,764,636 11	2,431,234 21	2,597,649 56	2,119,899 11	1,130,455 79	734,363 37	1,008,760 42
Total amount unprovided for, - - - - -	\$75,169,974 21	\$76,373,767 16	\$77,587,997 93	\$75,996,170 56	\$78,149,937 83	\$81,642,272 96	\$80,934,023 54	\$78,494,165 75	\$77,399,909 35

## STATEMENT—Continued.

	1800.	1801.	1802.	1803.	1804.	1805.	1806.	1807.
Foreign debt, - - - - -	\$10,819,000 00	\$10,419,000 00	\$9,915,000 00	\$8,730,000 00	\$5,736,000 00	\$4,065,000 00	\$2,929,000 00	\$1,420,000 00
Domestic debt, viz:								
Six per cent. and deferred stocks, - - -	38,738,404 10	37,947,458 30	36,853,983 26	35,700,526 17	34,480,584 13	33,187,515 16	31,801,961 01	30,320,614 13
Three per cent. stock, - - - - -	19,036,725 72	19,093,902 21	19,091,081 10	19,093,575 61	19,093,976 03	19,094,231 62	19,047,133 97	19,019,013 26
Five and a half per cent. stock, - - -	1,847,500 00	1,847,500 00	1,847,500 00	1,847,500 00	1,847,500 00	1,847,500 00	1,847,500 00	1,847,500 00
Four and a half per cent. stock, - - -	176,000 00	176,000 00	176,000 00	176,000 00	176,000 00	176,000 00	176,000 00	176,000 00
Six per cent. (of 1796) stock, - - - -	80,000 00	80,000 00	80,000 00	80,000 00	80,000 00	80,000 00	80,000 00	80,000 00
Navy six per cent. stock, - - - - -	711,700 00	711,700 00	711,700 00	711,700 00	711,700 00	711,700 00	711,700 00	711,700 00
Eight per cent. stock, - - - - -	5,000,000 00	6,481,700 00	6,480,200 00	6,475,800 00	6,474,500 00	6,462,300 00	6,430,800 00	6,362,400 00
Louisiana six per cent. stock, - - - -	- - - - -	- - - - -	- - - - -	- - - - -	11,250,000 00	11,250,000 00	11,250,000 00	11,250,000 00
Exchanged six per cent. stock, - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -
Converted six per cent. stock, - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -
Six per cent. stock of 1812, - - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -
Six per cent. stock of 1813, - - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -
Six per cent. stock of 1814, - - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -
Temporary loans, - - - - -	3,640,000 00	3,440,000 00	3,740,000 00	1,450,000 00	950,000 00	700,000 00	- - - - -	- - - - -
Treasury notes, - - - - -	3,876,964 53	3,840,790 39	3,817,168 89	3,789,584 52	1,876,890 72	987,903 73	91,762 30	50,300 37
Old unfunded debt, - - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -
American claims assumed by the Louisiana convention, - - - - -	- - - - -	- - - - -	- - - - -	- - - - -	3,750,000 00	3,750,000 00	3,057,413 38	540,070 88
Total amount due to individuals, - - -	82,976,294 35	83,038,050 80	80,712,632 25	77,054,686 30	86,437,120 88	82,313,150 50	75,723,270 66	69,218,398 64
Deduct payment made by the Treasury on account of subsequent years, - - -	1,342,968 61	1,037,883 44	1,958,063 55	2,322,763 45	1,073,477 66	1,778,091 85	1,180,313 04	1,486,753 02
Total amount unprovided for, - - - -	\$81,633,325 74	\$82,000,167 36	\$78,754,568 70	\$74,731,923 85	\$85,363,643 22	\$80,534,058 65	\$74,542,957 62	\$67,731,645 62

STATEMENT—Continued.

	1808.	1809.	1810.	1811.	1812.	1813.	1814.	1815.
Foreign debt, - - - - -	\$ 480,000 00	\$ 240,000 00						
Domestic debt, viz:								
Six per cent. and deferred stocks, - - -	26,730,679 55	21,308,079 28	\$19,977,383 78	\$18,566,095 08	\$17,066,941 98	\$12,866,123 89	\$11,236,194 76	\$9,760,602 42
Five per cent. stock, - - - - -	18,107,801 82	16,157,793 59	16,157,800 04	16,157,800 04	16,157,800 04	16,157,972 59	16,158,177 43	16,158,177 43
Four and a half per cent. stock, - - -								
Navy six per cent. stock, - - - - -	80,000 00	80,000 00	80,000 00	80,000 00	80,000,00	80,000 00	80,000 00	80,000 00
Eight per cent. stock, - - - - -	5,574,200 00							
Louisiana six per cent. stock, - - - -	11,250,000 00	11,250,000 00	11,250,000 00	11,250,000 00	11,250,000 00	11,070,700 00	10,923,500 00	10,923,500 00
Exchanged six per cent. stock, - - - -	2,126,826 73	5,993,343 50	3,751,125 26	-	-	2,745,120 58	2,984,746 72	2,984,746 72
Converted six per cent. stock, - - - -	592,351 88	1,859,770 70	1,859,770 70	1,859,770 00	565,318 41	7,977,700 00	7,710,500 00	7,760,500 00
Six per cent. stock of 1812, - - - - -	-	-	-	-	-	-	26,607,959 38	26,607,959 38
Six per cent. stock of 1813, - - - - -	-	-	-	-	-	-	14,234,851 25	14,234,851 25
Six per cent. stock of 1814, - - - - -	-	-	-	-	-	-	800,000 00	600,000 00
Temporary loans, - - - - -	-	-	-	-	-	2,150,000 00	4,907,300 00	10,646,480 00
Treasury notes, - - - - -	-	47,546 30	33,884 33	33,884 33	33,884 33	31,444 32	31,201 76	31,201 76
Old unfunded debt, - - - - -	47,624 57							
American claims assumed by the Louisi- ana convention, - - - - -	206,830 42	86,658 72	62,248 21	57,946 55	57,946 55	50,509 60	50,509 60	47,884 60
Total amount due to individuals, - - -	65,196,317 97	57,023,192 09	53,172,302 32	48,005,587 70	46,211,981 31	55,965,070 98	81,490,089 65	99,833,903 56
Deduct payment made by the Treasury on account of subsequent years, - - -	453,991 71	290,812 28	15,316 73	150,517 20	176,857 61	57,618 75	503,798 00	11,492 86
Total amount unprovided for, - - - -	\$64,742,326 26	\$56,732,379 81	\$53,156,522 64	\$47,865,070 50	\$45,035,123 70	\$55,907,452 23	\$80,986,291 65	\$ 99,824,410 70

## D.

Statement exhibiting the quantity of public lands sold prior to the establishment of the land offices.

In Pennsylvania. Triangle on lake Erie,	-	-	-	-	-	202,187 acres.
In Ohio—year 1787. Sales at New York,	-	-	-	-	-	72,974
year 1796. Sales at Pittsburg,	-	-	-	-	-	43,446
year 1796. Sales at Philadelphia,	-	-	-	-	-	5,120
year 1792. Sales to Ohio Company,	-	-	-	-	-	964,285
year 1792. To John C. Symmes,	-	-	-	-	-	248,540
						<u>1,536,552 acres.</u>

Statement exhibiting the amount of the annual sales of public lands, from the opening of the land offices to the 30th of September, 1814.

Years in which the sales were made.	Northwest of the river Ohio.		In Mississippi Territory.	
	Acres.	Dolls. cts.	Acres.	Dolls. Cts.
1800 and 1801, - - -	398,646.45	The purchase money was not exhibited in the annual statement's of those years.		
1802, - - -	340,009.77			
1803, - - - 199,080 64				
Deduct included last year, - 18,012 21	181,068.43			
1804, - - -	373,611.54			
1805, - - -	619,266.13½			
1806, - - -	473,211.63½			
1807, - - -	284,180.29½			74,831.50½
1808, - - -	195,579.21½			17,892.90
	2,865,573.47		5,981,310 37	
1809, - - -	143,409.24½	355,783 04	87,635.74	194,871 99
1810, - - -	158,843.57½	344,256 16	77,035.83	158,125 97
1811, - - -	207,017.14½	449,502 69½	81,913.16	164,821 89
1812, - - -	391,664.65	849,632 09½	144,872.75½	299,904 36½
1813, - - -	239,980.55	527,810 52	30,260.88	60,658 86
1814, - - -	823,264.47	1,702,016 01	41,272.06	82,544 94
	4,829,753.10	10,210,310 89	555,714.83	1,146,376 82½
Sales ending Sept. 30, 1815, estimated at	1,000,000.00	2,100,000 00	20,000.00	40,000 00
	5,829,753.10	\$12,310,310 89½	575,714.83	\$1,186,376 82½

GENERAL LAND OFFICE, September 14, 1815.

JOSIAH MEIGS, Commissioners.

## E.

## SMALL TREASURY NOTES.

Statement of small Treasury notes issued, and estimate of those re-issued prior to the 1st of October, 1815.

To whom issued.	For the payment of			
	Dividend on the public debt.	Of the army.	Expenses of the navy, and miscellaneous expenses.	Sold for a premium.
William Gardner, - - -	\$1,000			
Benjamin Austin, - - -	15,000			
Christopher Ellery, - - -	2,000			
Robert Brent, - - -		\$300,000		
Robert Brent, - - -		454,000		
Robert Brent, - - -		246,000		
T. Macdonnough, - - -			\$3,000	
B. Homans, - - -			50	
Robert Brent, - - -		300,000		
Jonathan Smith, - - -				\$300,000
William Miller, - - -				35,000
William Gardner, - - -	8,300			
Christopher Ellery, - - -	13,500			
Benjamin Austin, - - -	180,000			
William Few, - - -	425,000			
James Marshall, \$300,000 not used, returned to the Treasury.				
Amount issued, - - -	\$644,800	\$1,300,000	\$3,050	\$335,000
Amount estimated to have been re-issued after having been funded or paid in for duties or taxes,	558,300	165,069	106,631	1,030,000
Total, - - -	\$1,203,100	\$1,465,069	\$109,681	\$1,365,000



## E—Continued.

*The notes sold were sold at the following rates:*

At 4 per cent. premium,	\$300,000	Amount of the premium,	\$12,000 00
3 $\frac{1}{4}$ ditto,	19,600	ditto,	637 00
3 ditto,	89,400	ditto,	2,682 00
2 $\frac{3}{4}$ ditto,	55,000	ditto,	1,512 50
2 $\frac{1}{2}$ ditto,	281,000	ditto,	7,025 00
2 $\frac{1}{4}$ ditto,	5,000	ditto,	112 50
2 ditto,	340,000	ditto,	6,800 00
1 $\frac{3}{4}$ ditto,	10,000	ditto,	175 00
1 $\frac{1}{2}$ ditto,	91,000	ditto,	1,365 00
1 $\frac{1}{4}$ ditto,	74,000	ditto,	925 00
1 $\frac{1}{4}$ with 1 month's interest deducted,	100,000	-	659 37
	<u>\$1,365,000</u>		<u>\$33,893 37</u>
		Deduct sundry charges incurred,	1,785 73
			<u>\$32,107 64</u>
Nett amount of premium received by the United States,			

## F.

## NOTICE.

TREASURY DEPARTMENT, *March 10, 1815.*

In pursuance of powers, which have been duly vested in the Secretary of the Treasury, under an act of the Congress of the United States, entitled "An act to authorize the loan for a sum not exceeding eighteen millions four hundred and fifty-two thousand eight hundred dollars," approved by the President of the United States on the 3d of March, current, proposals will be received by the Secretary of the Treasury from this time, until the first day of May next, (unless the amount required should be previously subscribed,) for a loan to the United States of the sum of twelve millions of dollars, or any part thereof, on the following terms, and in the following manner:

1. The proposals must state the amount to be loaned; the rate at which the stock will be received; the instalments in which the party will make the payments, not exceeding, for the whole, ninety days from the date of the subscription, and the banks into which the payments will be made.

2. The payments will be received either in money, or in approved bank notes, or in Treasury notes actually issued before the 3d of March current, under the acts of Congress, passed, respectively, the 30th of June, 1812, the 25th of February, 1813, and the 4th of March, 1814, at their par value, with the interest accrued thereon at the time of payment. The kind of payment intended to be made must be stated in the proposals; and where the terms of subscription are equal, a preference will be given to offers for paying in Treasury notes, which have become due and remain unpaid, with an allowance of the interest upon such notes, as well since, as before they became due.

3. On failure to pay any instalment at the time stipulated, the next preceding instalment shall be forfeited for the use of the United States.

4. Scrip certificates will be issued by the cashiers of the banks into which the payments shall be made, to the corporations or persons making the payments; the cashiers will also endorse the payment of the successive instalments; the scrip certificates will be assignable by endorsement and delivery, and will be funded at the loan office of the State in which the bank is situated where the payments have been made.

5. For the amount loaned stock will be issued when the instalments are completed, bearing interest at six per cent. per annum, payable quarter yearly. The stock will be reimbursable at the pleasure of the United States at any time after twelve years from the last of December next; and the sinking fund is charged with the punctual payment of the interest, and the reimbursement of the principal according to contract.

It is desirable, as far as the public interest will permit, to reduce the amount of the Treasury note debt, and particularly the portion of it which is due and unpaid; and, therefore, an early subscription is recommended to the holders of Treasury notes. But, in order to save time and trouble, it may be proper to observe that the terms of the proposals should bear some relation to the actual fair price of stock in the markets of Philadelphia and New York.

A commission of one-fourth per cent. will be allowed to any person collecting subscriptions for the purpose of incorporating them in one proposal to the amount of twenty-five thousand dollars or upwards, provided such proposals shall be accepted.

A. J. DALLAS, *Secretary of the Treasury.*

G.

Statement of sums borrowed prior to the 1st day of October, 1815, under the act of Congress of the 3d of March, 1815, "to authorize a loan for a sum not exceeding 18,452,800 dollars."

PROPOSALS OR OFFERS TO THE LOAN.		ACCEPTANCE OF OFFERS.			SUMS ACTUALLY PAID INTO THE TREASURY.			Total:
When made.	By whom.	Amount.	When accepted.	Rate.—Am't in money or Treasury notes, for 100 dollars, 6 per cent. stock.	When paid.	Amount paid in Treasury notes.	Payments in money.	
							Where made.	Amount.
1815.								
April 15,	Jacob Cutter, Portsmouth, New Hampshire,	\$50,000	April 16,	95	May 16,	\$52,386 20	-	\$52,386 20
April 19,	James De Wolf, Bristol, Rhode Island,	50,000	April 24,	95	May 8,	51,002 63	-	51,002 63
April 21,	James Cox, Baltimore,	300,000	April 22,	95	May 1,	308,238 15	-	308,238 15
April 24,	James L. McKenna, Alexandria,	63,000	April 26,	95	April 27,	63,018 49	-	63,018 49
April 29,	George T. Dunbar, Baltimore,	165,000	May 1,	95	May 10,	64,638 58	\$100,361 42	165,000
April 29,	William Polk, Raleigh,	100,000	May 5,	95	July 1,	95,000	-	95,000
April 29,	Clement Smith, Georgetown, District of Columbia,	45,000	April 29,	95	May 1,	-	45,000	45,000
April 29,	Jonathan Smith, Philadelphia,	600,000	April 17,	95	May 20,	600,000 20	-	600,000 20
May 16,	William Whann, Washington,	25,000	May 17,	95	May 20,	-	25,000	25,000
May 18,	John Donnell, Baltimore,	150,000	May 22,	95	June 1,	83,788 30	153,711 70	237,500
May 19,	William Wilson & sons, Baltimore,	52,825	May 22,	95	June 1,	52,700	-	52,700
May 19,	Richard Smith, Washington,	79,000	May 19,	95	May 20,	-	79,000	79,000
May 20,	Richard Smith, Washington,	69,500	May 20,	95	May 20,	-	24,500	24,500
May 20,	Richard Smith, Washington,	145,000	May 20,	95	May 20,	-	15,000	15,000
May 20,	James L. Hawkins, Baltimore,	185,000	May 22,	95	June 5,	42,756 84	85,048 66	145,000
May 22,	James L. Hawkins, Baltimore,	25,000	May 22,	95	June 1,	-	17,194 50	135,000
May 22,	William Whann, Washington,	1,000,000	May 22,	95	June 1,	-	135,000	25,000
May 22,	D. A. Smith, Baltimore,	162,500	May 23,	95	June 1,	-	25,000	25,000
May 22,	Richard Smith, Washington,	52,000	May 23,	95	June 1,	-	1,000,000	1,000,000
May 23,	Richard Smith, Washington,	25,000	May 23,	95	May 25,	-	162,500	152,500
May 23,	William Whann, Washington,	400,000	May 23,	95	May 25,	-	52,000	52,000
May 23,	Jonathan Smith, Philadelphia,	25,000	May 23,	95	May 25,	-	25,000	25,000
May 24,	William Whann, Washington,	27,000	May 24,	95	June 1,	500,753 21	-	500,753 21
May 24,	Richard Smith, Washington,	25,000	May 24,	95	June 1,	-	25,000	25,000
May 24,	Richard Smith, Washington,	246,888 14	May 24,	95	May 25,	-	27,000	27,000
May 24,	James L. Hawkins, Baltimore,	250,000	May 25,	95	June 1,	23,444 07	25,000	25,000
May 24,	James Cox, Baltimore,	8,500	May 27,	95	June 1,	-	23,444 07	246,888 14
May 24,	James Schott, Philadelphia,	22,464 90	May 24,	95	June 1,	9,200 50	100,000	250,000
May 24,	Thomas Macdonough, Middletown,	34,300	May 24,	95	June 1,	-	150,000	9,200 50
May 25,	Richard Smith, Washington,	34,300	May 25,	95	May 25,	-	22,464 90	22,464 90
May 25,	Richard Smith, Washington,	34,300	May 25,	95	May 25,	-	34,300	34,300

G--Continued.

PROPOSALS OR OFFERS TO THE LOAN.		ACCEPTANCE OF OFFERS.			SUMS ACTUALLY PAID INTO THE TREASURY.			Total.
When made.	By whom.	Amount.	When accepted.	Rate.--Am't in money or Treasury notes, for 100 dollars, 6 per cent. stock.	When paid.	Amount paid in Treasury notes.	Payments in money.	
							Where made.	Amount.
1815.								
May 25,	George French, Washington,	\$29,000	May 25,	95	June 1,	-	Georgetown,	\$29,000
May 25,	John Duer, Baltimore,	130,000	May 27,	95	June 1,	\$9,285 93	Baltimore,	127,614 07
May 25,	S. Pleasanton and R. Forrest, Washington,	50,000	May 27,	95	June 1,	-	Georgetown,	50,000
May 26,	A. C. Cazenove, Alexandria,	5,000	May 26,	95	June 1,	-	Alexandria,	4,750
May 26,	William Lawrence, New York,	26,000	May 28,	95	June 1,	26,738 90	-	26,738 90
May 26,	James Whitehead et al., Philadelphia,	50,000	May 28,	95	July 10,	-	Washington,	47,458 22
May 27,	James Cox, Baltimore,	25,000	May 28,	95	June 1,	-	Baltimore,	25,000
May 29,	John Duer, Baltimore,	25,000	May 31,	95	June 1,	-	Baltimore,	25,000
May 29,	S. Girard, Philadelphia,	95,000	May 31,	95	June 1,	95,000	-	95,000
May 31,	George Crowninshield & Co., Salem,	11,683 55	May 31,	95	June 28,	-	Washington,	11,683 55
May 31,	George T. Dunbar, Baltimore,	25,468	May 31,	96½	June 1,	25,468	-	25,468
June 1,	Richard Smith, Washington,	35,000	June 1,	95	June 13,	7,612 68	Georgetown,	35,000
June 1,	William Cochran, Boston,	8,000	June 1,	95	June 13,	1,099 68	-	1,099 68
June 3,	Richard Smith, Washington,	1,120 21	June 3,	95	June 5,	-	-	-
June 3,	William Paton, Jun., Alexandria,	24,490	June 3,	96½	June 5,	-	Washington,	24,490
June 6,	William Paton, Jun., Alexandria,	100,000	June 3,	96½	June 3,	-	Alexandria,	100,000
June 6,	Charles Page, Alexandria,	10,000	June 7,	96½	June 7,	-	Alexandria,	10,000
June 6,	William Whann, Washington,	250,000	June 6,	96½	June 6,	-	Alexandria,	250,000
June 6,	N. Waterman, Jun., Providence,	31,057 50	June 6,	95	June 6,	31,057 50	-	31,057 50
June 7,	Charles Page, Alexandria,	5,000	June 8,	96½	June 19,	4,664 36	-	4,664 36
June 8,	S. Elliot, Jun., Washington,	85,000	June 8,	96½	June 9,	-	Alexandria,	5,000
June 9,	S. Elliot, Jun., Washington,	200,000	June 9,	95	June 10,	-	Washington,	85,000
June 9,	H. Remsen, New York,	Indefinite,	June 9,	95	June 24,	-	Philadelphia,	200,000
June 9,	J. U. Treadwell, Salem,	90,000	June 12,	95	June 19,	448,990 81	Philadelphia,	60,000
June 10,	Clement Smith, Georgetown,	305,000	June 14,	95	July 1,	89,688 64	-	89,688 64
June 10,	Clement Smith, Georgetown,	30,000	June 10,	96½	July 15,	-	Georgetown,	305,000
June 10,	N. W. & C. H. Appleton, Baltimore,	120,000	June 12,	96½	June 22,	-	Baltimore,	72,375
June 10,	Richard Smith, Washington,	50,000	June 10,	96½	June 12,	-	Baltimore,	2,625
June 10,	Guy Bryan, Philadelphia,	25,000	June 12,	96½	June 15,	-	Baltimore,	45,000
June 12,	Alexander Brown & sons, Baltimore,	200,000	June 12,	96½	June 16,	-	Georgetown,	50,000
June 12,	James Schott, Philadelphia,	50,000	June 14,	95	June 14,	-	Washington,	25,000
June 12,	Richard Smith, Washington,	20,000	June 14,	95	June 24,	-	Philadelphia,	200,000
June 13,	Richard Smith, Washington,	30,000	June 14,	95	July 1,	-	Philadelphia,	50,000
			June 14,	98	June 15,	20,016 88	Washington,	30,000
			June 14,	98	June 15,	-	-	-

G—Continued.

PROPOSALS OR OFFERS TO THE LOAN.		ACCEPTANCE OF OFFERS.			SUMS ACTUALLY PAID INTO THE TREASURY.				Total.
When made.	By whom.	Amount.	When accepted.	Rate.—Am't in money or Treasury notes, for 100 dollars, 6 per cent. stock.	When paid.	Amount paid in Treasury notes.	Payments in money.		
							Where made.	Amount.	
1815.									
June 13,	William Whann, Washington,	\$50,000	June 14,	98	June 22,	-	Washington,	\$50,000	\$50,000
June 14,	R. Higginbotham, Baltimore,	200,000	June 14,	95	June 24,	-	Philadelphia,	200,000	200,000
June 14,	Richard Bache, Philadelphia,	3,800	June 15,	95	June 20,	\$3,972 86	-	-	3,972 86
June 14,	Richard Bache, Philadelphia,	10,000	June 14,	95	June 20,	-	Philadelphia,	1,135,000	1,135,000
June 14,	W. Montgomery & son, Philadelphia,	50,000	June 16,	95	June 21,	13,466	-	-	-
June 15,	Richard Smith, Washington,	110,000	June 15,	95	July 1,	38,275 92	-	-	51,641 92
June 15,	William Whann, Washington,	110,000	June 15,	98	June 15,	109,169 92	-	-	109,169 92
June 16,	Alexander Kerr, Washington,	65,000	June 16,	98	June 16,	-	Georgetown,	110,000	110,000
June 17,	Richard Smith, Washington,	20,000	June 16,	98	June 19,	-	Washington,	65,000	65,000
June 22,	Ephraim Gilman, Alexandria,	6,000	June 16,	95	June 19,	6,854 80	Washington,	20,000	20,000
June 29,	John L. Boss, Newport, Rhode Island,	8,356 30	June 17,	96½	June 17,	-	Washington,	8,356 30	8,356 30
June 29,	Owen Allen, Baltimore,	4,000	June 23,	100	June 24,	-	Alexandria,	4,000	4,000
July 7,	Richard Smith, Washington,	77,000	July 5,	95	August 1,	76,353 70	New York,	601 44	76,955 14
July 7,	Prince, Ward, & Sands, New York,	5,100	July 30,	95	July 3,	5,243 03	-	-	5,243 03
July 7,	John Tisdale, New York,	26,059 38	July 7,	95	July 7,	26,059 38	-	-	26,059 38
July 13,	John Tisdale, New York,	50,100	July 10,	95	July 11,	182,641 90	Washington,	32,978 49	182,641 90
July 13,	John Tisdale, New York,	32,978 49	July 13,	97	July 13,	-	Washington,	32,978 49	32,978 49
						\$3,161,587 06		\$6,122,457 32	\$9,284,044 98
			At 95.	At 96½.	At 97.	At 98.	At par.	Total.	
			\$1,042,212 59	\$927,846 30	\$32,978 49	\$275,000	\$4,000	\$2,282,037 38	
			1,874,818 50	120,000	-	-	-	1,994,818 50	
			1,845,000	-	-	-	-	1,845,000	
			601 44	-	-	-	-	601 44	
			\$4,762,632 53	\$1,047,846 30	\$32,978 49	\$275,000	\$4,000	\$6,122,457 32	

Of the above amount in money there was paid in the District of Columbia, In Baltimore, - - - - -  
 In Philadelphia, - - - - -  
 In New York, - - - - -

H.  
NOTICE.

TREASURY DEPARTMENT, June 15, 1815.

Arrangements are making to discharge the whole of the arrearages of the Treasury note debt, where the same became due and payable, as soon as a competent supply of current money can be obtained at the seat of the several loan offices.

Arrangements are also making to furnish a competent issue of Treasury notes to assist in the re-establishment of a circulating medium throughout the United States; but it has been ascertained that an issue of Treasury notes not bearing interest, and fundable at 7 per cent., cannot, at this time, be employed for that purpose.

Notice is, therefore, hereby given, that funds have been assigned for the payment of such Treasury notes, and the interest thereon, as became due, or shall become due at the loan office in *Philadelphia*, in the State of *Pennsylvania*, on the following days, to wit:

On the 21st of November; the 1st and the 11th of December, 1814.

The 1st of January; the 1st and 21st of February; the 21st of April; the 1st, 11th and 21st of May; the 1st, 11th and 21st June; and the 1st, 11th and 21st of July, 1815; being all the Treasury notes due, or becoming due, at *Philadelphia* prior to the 1st day of August, 1815.

And the said Treasury notes will accordingly be paid, upon the application of the holders thereof respectively, at the said loan office in the city of *Philadelphia*, on the 1st day of August next; after which day interest will cease to be payable upon the said Treasury notes.

And notice is hereby further given, that funds have been assigned for the payment of such Treasury notes, and the interest thereon, as became due at the loan office in *Savannah*, in the State of *Georgia*, on the following days, to wit:

On the 1st of April; and the 1st of May, 1815; being all the Treasury notes due at *Savannah* prior to the 1st day of September, 1815.

And the said last mentioned Treasury notes will accordingly be paid, upon the application of the holders thereof respectively, at the said loan office in *Savannah* aforesaid, on the 1st day of September next; after which day interest will cease to be payable upon the said Treasury notes.

And notice is hereby further given, that funds have been assigned for the payment of such Treasury notes, and the interest thereon, as became due at *Washington*, in the District of *Columbia*, on the following days, to wit:

On the 11th and 21st of April; on the 1st and 21st of May; and on the 11th of June, 1815; being all the Treasury notes due at *Washington*.

And the said last mentioned Treasury notes will accordingly be paid, upon the application of the holders thereof respectively, at the Treasury of the United States, in *Washington* aforesaid, at any time subsequent to the date of this notice; and interest will cease to be payable upon the said Treasury notes after the 1st day of July next. And all Treasury notes hereafter payable at the Treasury of the United States in *Washington* aforesaid, will be there punctually paid, from time to time, as the same shall become due and payable, and the interest thereon will cease on the day or days when such Treasury notes shall respectively become payable.

And notice is hereby further given, that funds have been assigned for the payment of such Treasury notes, and the interest thereon, as became due at the loan office in *Baltimore*, in the State of *Maryland*, on the 1st of June, 1815. And that the said last mentioned Treasury notes will accordingly be paid, upon application of holders thereof respectively, at the said loan office in *Baltimore* aforesaid, at any time subsequent to the date of this notice; and that interest will cease to be payable upon said Treasury notes after the 1st day of July next. And all Treasury notes hereafter payable at the loan office in *Baltimore* aforesaid, will be there punctually paid, from time to time, as the same shall become due and payable; and the interest thereon will cease on the day or days when such Treasury notes shall respectively become payable.

And notice is hereby further given, that as funds in current money cannot at present be obtained at *Boston*, in the State of *Massachusetts*, to pay such of the Treasury notes as became due and remain unpaid at the loan office in *Boston* aforesaid, on the following days, to wit:

On the 1st of November; and the 11th and 21st of December, 1814; the 21st of January; and the 1st of February, 1815:

Subscriptions in the principal and interest of said last mentioned Treasury notes will be received to the loan of twelve millions of dollars, at the rate of 95 dollars in principal and interest, in Treasury notes, for 100 dollars of six per cent. stock. The holders respectively of the said last mentioned Treasury notes may, also, at their option, receive drafts on *Philadelphia* and *Baltimore* for the amount of their claims; or they may exchange the old for new Treasury notes, fundable at six per cent. to include the principal and interest now due.

And notice is hereby further given, that as funds in current money cannot at present be obtained at the city of *New York*, in the State of *New York*, to pay such of the Treasury notes as became due, and remain unpaid at the loan office in *New York* aforesaid, on the following days, to wit:

On the 1st and 11th of December, 1814; the 1st and 11th of January; the 11th of February; the 11th of March; the 21st of April; and the 11th of May, 1815:

Subscriptions in the principal and interest of the said last mentioned Treasury notes will be received to the loan of twelve millions of dollars, at the rate of 95 dollars of principal and interest in Treasury notes, for 100 dollars of six per cent. stock. The holders respectively of the said last mentioned Treasury notes may also, at their option, receive drafts on *Philadelphia* and *Baltimore* for the amount of their claims; or they may exchange the old for new Treasury notes, fundable at six per cent., to include the principal and interest now due.

And, finally, notice is hereby given, that, on the 1st day of August next, instructions will be issued, forbidding the collectors of duties on imports and tonnage, the collectors of the internal duties and taxes, and the receivers of all public dues whatsoever, to receive in payment of such duties, taxes, and dues, the bank notes of any bank, which does not, on demand, pay its own notes in gold and silver, and, at the same time, refuses to receive, credit, re-issue, and circulate, the Treasury notes emitted upon the faith and security of the United States, in deposits, or in payments to, or from, the bank, in the same manner, and with the like effect, as cash, or its own bank notes.

The loan officers of the several States are requested to make this notice generally known by all the means in their power; and the printers authorized to print the laws of the United States will be pleased to insert it in their respective newspapers.

A. J. DALLAS, *Secretary of the Treasury.*

I.

NOTICE.

TREASURY DEPARTMENT, June 22, 1815.

Funds having been assigned for the payment of such Treasury notes, and the interest thereon, as will become due at *Philadelphia*, on the 1st day of August next, and on all subsequent days, prior to the 1st day of January, 1816:

Notice is therefore hereby given, that the said Treasury notes will be paid, on the application of the holders thereof, respectively, at the loan office in Philadelphia, on the day or days when they shall respectively become due, and interest on the said notes will cease to be payable thereafter.

The Commissioners of Loans in the several States are requested to make this notice generally known by all the means in their power; and the printers authorized to publish the laws of the United States will be pleased to insert it in their respective newspapers.

A. J. DALLAS, *Secretary of the Treasury.*

K.

*Statement of moneys borrowed between the first of October, 1814, and the 30th September, 1815, under the acts of Congress of the 14th March, 1812.*

From the Committee of Defence of the City of Philadelphia, for which 6 per cent. stock was issued at par, \$100,000

Of which sum there was paid in the year 1814, - - - \$50,000  
 And in the year 1815, - - - 50,000

*Statement of the temporary loans made in the year 1815, (prior to the 1st October, in that year,) under the several acts of Congress of the 15th November, 1814, the 3d of March, 1815, and 13th of February, 1815.*

Act under which made.	By whom made.	Amount.	Rate of interest.	When reimbursable.
Nov. 15, 1814,	Manhattan Company, New York,	\$200,000	7 per cent.	} 1 Mar. & 1 May, 1815.
Nov. 15, 1814,	Mechanics' Bank, do	200,000	7 per cent.	
Nov. 15, 1814,	City Bank, do	200,000	7 per cent.	ditto.
Nov. 15, 1814,	City Bank, do	75,000	6 per cent.	1 Aug. 1815.
Nov. 15, 1814,	Mechanics' Bank, do	75,000	6 per cent.	ditto.
Nov. 15, 1814,	Manhattan Company, do	75,000	6 per cent.	ditto.
Nov. 15, 1814,	Bank of America, do	75,000	6 per cent.	ditto.
Nov. 15, 1814,	Bank of the State of South Carolina,	50,000	6 per cent.	1 Dec. 1815.
		<u>\$950,000</u>		
Mar. 3, 1815,	Bank of Virginia,*	\$450,000	6 per cent.	1 May, 1816.
Mar. 3, 1815,	Farmers' Bank of Virginia,*	200,000	6 per cent.	ditto.
		<u>\$650,000</u>		
Feb. 3, 1815,	Bank of the Metropolis,	25,000	6 per cent.	3 years.
Feb. 3, 1815,	Bank of Washington,	25,000	6 per cent.	
Feb. 3, 1815,	Bank of Columbia,	25,000	6 per cent.	
Feb. 3, 1815,	Union Bank of Alexandria,	25,000	6 per cent.	
		<u>\$100,000</u>		

L.

TREASURY NOTES BEARING INTEREST.

*Statement of the amount of Treasury notes issued in the third and fourth quarters of the year 1814, under the act of the 4th of March, 1814.*

When reimbursable.	REIMBURSABLE AT							Total.
	Boston.	New York.	Philadelphia.	Baltimore.	Washington.	Richmond.	Charleston.	
1815.								
June 21	-	-	3,300	-	-	-	-	3,300
July 1	-	149,700	105,400	-	-	-	-	255,100
11	-	75,000	29,000	-	-	-	-	104,000
21	-	-	12,700	-	45,000	-	-	57,700
Aug. 1	92,000	60,000	510,000	40,000	17,800	-	-	719,800
11	-	90,000	94,200	-	20,000	-	150,000	354,200
21	-	-	-	-	2,500	-	-	2,500
Sept. 1	-	-	1,600	-	-	-	-	1,600
11	-	-	-	-	10,000	-	-	10,000
21	-	40,000	-	-	60,000	-	-	100,000
Oct. 11	-	25,000	11,820	-	500,000	-	-	536,820
21	52,000	238,000	105,000	100,000	1,000	-	-	496,000
Nov. 1	150,000	200,000	100,000	-	27,700	-	-	477,700
11	-	-	130,000	-	15,000	-	-	145,000
21	12,000	310,280	254,600	5,000	21,700	-	-	603,580
Dec. 1	-	853,420	174,060	60,000	14,900	-	-	1,102,380
11	3,000	50,000	4,060	-	11,100	-	-	68,160
21	300	23,160	68,000	-	31,180	15,000	-	137,640
1816.								
Jan. 1	-	387,000	222,240	-	50,460	-	-	659,700
	<u>\$309,300</u>	<u>\$2,501,560</u>	<u>\$1,825,980</u>	<u>\$205,000</u>	<u>\$828,340</u>	<u>\$15,000</u>	<u>\$150,000</u>	<u>\$5,835,180</u>

\* These loans were repaid in the month of July, 1815.

Amount of Treasury notes issued in the first and second quarters of the year 1815, under the act of the 4th of March, 1814.

When reimbursable.	REIMBURSABLE AT							Total.
	Boston.	New York.	Philadelphia.	Baltimore.	Washington.	Richmond.	Charleston.	
1816.								
Jan. 11	50,000	440,900	81,200	-	34,620	-	-	606,720
21	-	138,160	34,900	-	65,900	-	-	238,960
Feb. 1	-	420,420	1,196,230	11,000	5,100	-	-	1,632,800
11	-	-	79,200	-	45,900	-	-	125,100
21	-	-	-	-	18,400	-	-	18,400
March 1	-	25,600	1,200	-	82,540	-	-	109,340
11	-	-	400	-	15,000	-	-	15,400
21	-	-	11,900	-	-	-	-	11,900
April 1	-	-	8,900	-	-	-	-	8,900
11	-	-	-	-	2,200	-	-	2,200
21	-	-	-	-	2,000	-	-	2,000
June 21	-	-	1,000	-	-	-	-	1,000
	\$50,000	\$1,025,080	\$1,414,980	\$11,000	\$271,660	-	-	\$2,772,720

Recapitulation of Treasury notes issued under the act of March 4, 1814.

Amount issued in the second quarter of 1814, as reported to Congress by the Secretary of the Treasury, September 23, 1814,	\$1,392,100
Ditto, in the third and fourth quarters of 1814, as above stated,	5,835,180
Ditto, in the first and second quarters of 1815, as above stated,	2,772,720
Total amount authorized to be issued by the act,	\$10,000,000

Statement of the amount of Treasury notes issued in the first, second, and third quarters of the year 1815, under the act of the 26th of December, 1814.

When reimbursable.	REIMBURSABLE AT								Total.
	Boston.	New York.	Philadelphia.	Baltimore.	Washington	Richmond.	Charleston.	Savannah.	
1816.									
Feb. 1	-	78,160	145,480	56,800	-	-	-	-	280,440
11	-	1,365,340	1,636,180	50,000	-	30,000	-	-	3,081,520
21	-	-	224,000	-	-	-	-	-	224,000
March 1	145,000	990,820	250,900	133,580	-	-	100,000	-	1,620,300
11	2,000	116,060	55,200	40,000	-	-	-	-	213,260
21	-	13,860	80,100	-	-	6,200	-	-	100,160
April 1	-	176,740	112,900	-	-	-	-	-	289,640
11	-	313,360	81,000	-	-	-	-	-	394,360
21	-	-	-	-	4,860	8,580	-	-	13,440
May 1	-	-	10,500	-	-	-	-	-	10,500
21	-	432,280	33,000	-	-	-	-	-	465,280
June 1	-	622,020	91,380	-	4,500	-	-	-	717,900
11	-	154,180	10,000	-	-	-	-	-	164,180
July 21	-	401,420	-	-	-	-	-	-	401,420
Sept. 1	-	-	-	-	-	-	-	342,000	342,000
	\$147,000	\$4,664,240	\$2,730,640	\$280,380	\$9,360	\$44,780	\$100,000	\$342,000	\$8,318,400

Statement of the amount of Treasury notes bearing interest issued prior to the 1st of October, 1815, under the act of the 24th of February, 1815.

Date.	Amount.
1815. August 21,	33,000
September 1,	308,600
September 11,	102,000
September 21,	36,900
October 1,	214,100
Total,	\$694,600

## L—Continued.

Estimate of the amount of principal and interest of Treasury notes of every description, which will come as a charge upon the Treasury during the year 1816.

	Dollars.	Dollars.
<i>I. Treasury notes bearing interest.</i>		
1. Such as are charged upon the sinking fund.		
Amount which became payable in 1814, and which was not paid,	-	2,799,200 00
Amount which became payable in 1815, -	-	7,847,280 00
Amount which will become payable in 1816, -	-	2,772,720 00
2. Such as are payable out of any moneys in the Treasury not otherwise appropriated.		13,419,200 00
Amount which will become payable in 1816, -	-	8,318,400 00
3. Such as are not reimbursable in money, but may be funded for six per cent. stock at par, or paid for duties, taxes, or any public dues whatever.		
Amount issued prior to 1st October, 1815, -	-	694,600 00
Amount estimated to be issued from 1st October to 31st December, 1815, -	-	500,000 00
II. <i>Small Treasury notes, not on interest, not reimbursable in money, but may be funded for seven per cent. stock at par, or paid for duties, taxes, or any public dues whatever.</i>		22,932,200 00
Amount issued and reimbursed, per preceding statement marked D, to 30th September, 1815, -	4,142,850 00	
Amount estimated to be issued and re-issued from 1st October to 31st December, 1815, -	500,000 00	
		4,642,850 00
<i>Interest.</i>		
The amount estimated to be payable for interest on the notes bearing interest is about		27,575,850 00
Towards the reimbursement of Treasury notes payable at Philadelphia, Baltimore, Washington, Charleston, and Savannah, there has been advanced from the Treasury the sum of -		1,000,000 00
The amount of Treasury notes bearing interest subscribed to the loan prior to the 1st of October, 1815, was, principal and interest, \$3,161,587 06	1,536,000 00	28,575,850 00
And it is estimated that the amount subscribed between the 1st of October and 31st of December, 1815, will be 2,500,000 00		
	5,661,587 06	
The amount of small Treasury notes funded for seven per cent. stock prior to the 1st October, 1815, was \$3,318,950 00		
And the amount estimated to be funded between the 1st October and 31st December, 1815, is 1,000,000 00		
	4,318,950 00	
The amount estimated to be redeemed by payments for duties, taxes, &c. prior to 1st January, 1815, is—		
Of Treasury notes bearing interest, -	\$1,500,000 00	
Of small Treasury notes, -	100,000 00	
	1,600,000 00	
Leaving, as the amount outstanding at the end of the year 1815, and which will come as a charge upon the Treasury in the year 1816, of principal and interest of Treasury notes of all descriptions, -		13,116,537 06
		\$15,458,512 94

14th CONGRESS.]

No. 455.

[1st SESSION.]

## PROHIBITION OF THE IMPORTATION OF COARSE COTTON FABRICS.

COMMUNICATED TO THE SENATE, DECEMBER 13, 1815.

To the honorable the Senate and House of Representatives of the United States in Congress assembled: The petition of the undersigned citizens of the United States, concerned in the manufacturing of cotton fabrics, in behalf of themselves and others interested in similar establishments, respectfully sheweth:

That, during the late season of domestic pressure, arising in a measure from the interruption of the foreign commerce of the country, your petitioners, together with numerous others, citizens of the United States, undertook, and after a considerable expenditure of money and of labor, have at length partially succeeded in the erecting and, putting into operation extensive works employed in the manufacturing of cotton goods. That large sums of money have been expended by your petitioners and others upon these objects. That, by means of these exertions, and of the commodities furnished from these sources, the pressure of the late war upon the great body of the community was considerably alleviated. That, from the difficulties inseparable from the establishment of new branches of manufacture; the scarcity of persons properly qualified to superintend their operations; the enormous compensations demanded by those whose skill and experience were requisite, and the high price of labor throughout the country, your petitioners have not as yet been remunerated for the heavy expenses which they have incurred, while the prospect which is just opening of a free and unrestricted importation of the same articles of foreign manufacture, threaten to deprive them of every expectation of a reasonable profit, and, at one blow, to crush the establishments themselves, and to sink the capital which has been invested in them.

Your petitioners, under these circumstances of impending ruin, respectfully entreat the interposition of your honorable bodies, to preserve them and the country from these disastrous and fatal results; and more particularly