

The Treasury is empty and taxes will not be paid into it before the first of June. How is the Government to be kept in operation until that time? I recommend that the Treasurer be authorized to issue certificates of indebtedness, payable to bearer and receivable in payment of all State taxes. These certificates will be taken by the creditors of the State, and will preserve their par value, if the issue is limited to one-half of the taxes to be levied. By imposing this limitation, the public is effectually protected against a redundancy in the issue, and its redemption is certainly secured during the fiscal year.

All the direct tax due the Government of the United States has not yet been paid. The laws of Congress now prohibit the State from assuming the tax; but I feel very confident that the same privilege will be accorded to South Carolina that has been enjoyed by most of the States of the Union. I, therefore, recommend that Congress be memorialized by the Legislature, so to modify the existing law as will enable the State to assume the tax, and that the Secretary of the Treasury be requested to suspend the collection of the same until Congress may have time to consider the application. You can provide by law, at your present session, that in the event the privilege is granted the State, that the Governor be authorized to consummate the arrangement with the Treasury Department at Washington. In this connection, I may bring to your attention the condition of the lands on and near the sea board, where this direct tax has been collected by sales under the various Acts of Congress. Much of the land in that section has been sold at enormous sacrifices, and is infinitely more valuable in amount than the whole tax; and, if general statements are to be founded, these sales have realized for the General Government nearly the whole amount of the direct tax apportioned to this State, and that, too, without taking into consideration the value of the lands purchased or reserved by the Government itself. These facts should, I think, be brought to the attention of the Government by the action of the Legislature, and the Executive authorized, if possible, to effect with the General Government some amelioration of the enormous and ruinous sacrifice which has thus been imposed upon a portion of the citizens of the State.

The exhausted condition of the country, and the complete prostration of our finances, require that debtors should be still further protected by partially staying the collection of debts. It would be wise to recast the existing law upon the subject, and provide that the creditor should have the privilege of suing his debtor to judgment, so that a lien upon his property may be secured; that the interest and a part of the principal should be collected annually; that the whole sum may be collected when the debtor attempts fraudulently or clandestinely to remove or dispose of his property; that the law should not apply to debts contracted after its passage, nor should any indulgence be given in cases of trespass or for torts to person or property committed before or after the passage of the Act.