

---

---

# FORTY-SEVENTH LEGISLATURE.

---

---

SENATE.

No. 20.

---

---

RESOLVES introduced in the Senate, January 7, 1868, by Mr. Farley of Lincoln, in relation to the taxation of United States Bonds.

*Resolved*, That the right of the Federal Government to tax the income of the national debt, is clear in itself, and supported by practice, and ought now to be effectively exercised by collecting the tax out of the coupons of the national bonds, and that such a rate of taxation should be imposed upon these coupons, as will subject capital so invested to its fair average share of public burdens, as compared with other descriptions of property, and that the proceeds of such taxation should be distributed among all of the States, on just and equitable principles.

*Resolved*, That our Senators and Representatives in Congress be requested to support such changes in national legislation, as will carry out the objects of the foregoing resolve.

---

RESOLVES introduced in the Senate, January 9, 1868, by Mr. Snell of Kennebec, relating to national affairs.

*Whereas*, The people of the United States of America are burdened with oppressive taxation, their industrial interests paralyzed, their commerce deranged and fast falling into ruin, their finances embarrassed and their currency inflated by a departure from the true specie basis; and *whereas*, these disastrous consequences are the results of the war, forced upon the country by traitors in arms, and successfully prosecuted in defence and vindication of the national sovereignty; and *whereas*, we are in favor of a speedy adoption of all judicious measures for lightening and

removing the burdens of a patriotic people, restoring life to their industry and commerce, and soundness to the currency of the country :

*Resolved*, That we are in favor of thorough economy and rigid retrenchment in every branch of the public service and expenditure.

*Resolved*, That while we are in favor of an early payment of the national debt, we are opposed to laying all the burdens of the defence of the nation, the hardships and perils of the war for the Union, upon the present generation, and we therefore recommend our Senators and Representatives in the Congress of the United States to aid and concur in all measures tending to reduce the taxation of the people, and especially by such a modification of the internal revenue laws as may best secure this result.

*Resolved*, That our Senators and Representatives in Congress be requested to urge the modification of the law providing for the taxation of the stock of National Banks, and secure the passage of an act of Congress requiring said stock to be taxed in the several towns and cities where the same may be owned, to the end that the burdens of taxation be equalized.

*Resolved*, That the principles of right and justice, the public honor, and a due regard for our reputation as an honorable, as well as a great and powerful nation in the eyes of the world, require the payment of the public debt in coin, in accordance with the understanding and spirit of the contract between borrower and lender, and we oppose all schemes of repudiation and pettyfogging evasions, from whatever source they spring.

*Resolved*, That concurring in the sentiments of Hon. Hugh McCulloch, the able Secretary of the Treasury of the United States, that " exemption from taxation of any kind of property, by which special privileges are or seem to be granted to any class of citizens, is odious to the heavily burdened masses in all countries, and especially so in a republic like ours ;" and believing that the principle of exemption of government bonds from taxation is not right, and that it ought to be avoided in future issues, we commend to the careful consideration of our Senators and Representatives in Congress the suggestions of the Hon. Secretary of the Treasury of the United States, relative to " the issue of bonds to be known as the consolidated debt of the United States, bearing six per cent. interest and having twenty years to run, into which all other obligations of the government shall as rapidly as possible

RESOLVES RELATING TO NATIONAL AFFAIRS. 3

be converted ; one-sixth part of the interest at each semi-annual payment to be reserved by the government and paid over to the States according to their population," to the end that these new bonds be substituted for all non-taxable bonds wherever held, and that all bonds should be taxed alike and a general distribution secured.

STATE OF MAINE.

---

IN SENATE, February 12, 1868.

*Ordered*, That the Secretary of the Senate cause to be printed all Resolves which have been referred to the Committee on Federal Relations, relating to the taxation of United States Bonds and the finances of the country, presented by the Senators from Kennebec and Lincoln.

Read and passed.

THOMAS P. CLEAVES, *Secretary*.