

the faith of his property. The Legislature may well consider this point, when presented in a petition to this effect, *from the farmers and householders of the State*, but as long as the argument is used only by *capitalists who lend upon mortgage*, it should have but little weight. The farmer and householder is interested on the other side, because he knows, that if the capitalist who lends upon mortgage is granted the privilege of exemption from taxation, the amount of taxes from which such capitalist is relieved, must become chargeable to the owners of other properties not thus favored, and he further knows; that although others may evade or escape taxation, the *owner of real estate cannot do so*. The fact that so much interest bearing capital, escapes taxation, has depressed, and will continue to depress the value of real estate, and make that property an undesirable investment.

But if the lender upon mortgage must be exempt, for fear he will oppress the mortgagor, why not exempt the lender upon judgment who also has a lien on his debtor's realty? Why not exempt the capitalist who invests in lands and houses, in order to prevent him from oppressing his tenants with heavy rents? Or why not exempt real estate altogether, and by that means ensure and accelerate the speedy occupation of all the lands, and multiply the population and resources of the State?

As these alternatives are impracticable, justice to the owners of other property requires, that mortgage debts should be taxed at their value, as all other productive property. If the Legislature will be governed by the interest and wishes of the land-owner, they will at once subject the millions of mortgage debts in the state, to taxation. This policy, if carried into effect, will go far to relieve the Legislature from the necessity of increasing the rate of direct taxation.

TAXATION OF RAIL ROAD COMPANIES.

The validity of the law imposing a tax on the gross receipts of Railroad Companies working their roads by steam power, has been established by the Court of Appeals, in the cases of the *State vs. the Northern Central Railway Company*, and the *Philadelphia, Wilmington and Baltimore Railroad Com-*