

THE TEAR.

SACRED boon of favoring Heaven?
Telt of reason, pearly Tear!
In some bounteous moment given,
Soothing anguish most severe!

Melting child of mute affliction,
Misery's due, and feeling's gem!
Precious pledge of young affliction,
Fairest flower on pity's stem!

Reconciliation's sweet oblation,
Healing the distemper'd heart!
Friendship's dearest, best libation,
Balm for every anxious smart!

Oh how near ally'd to sorrow
Are your transports most sincere!
Even delight is forc'd to borrow
Feeling's rich, expressive tear!

Humid eyes that softly languish,
What do your full orbs declare?
Dew-drop, from'd of hope and anguish,
Love himself has plac'd thee there!

LETTER

FROM THE

SECRETARY OF THE TREASURY

ACCOMPANYING

HIS REPORT,

Prepared in obedience to the directions of the act, supplementary to the act, entitled "An act to establish the Treasury Department."

SIR,

I have the honour to enclose a report prepared in obedience to the directions of the act, supplementary to the act entitled "An act to establish the treasury department."

I have the honor to be,
Very respectfully,
Sir,

Your obedient servant,
ALBERT GALLATIN.

Treasury Department,
December 16th 1802

The Honourable the Speaker of the
House of Representatives.

REPORT.

In obedience to the directions of the act supplementary to the act, entitled, "An act to establish the treasury department," the secretary of the treasury respectfully submits the following report:

The permanent revenues of the United States, exclusively of fees, fines, and penalties, which in a general view of the subject, may be omitted, consist of, duties on Merchandize and Tonnage; proceeds of the sales of public Lands, and duties on Postage.

The duties on postage, which were, in the annual report of last year, estimated at 50,000 dollars, have, during the year ending on the 30th of September last, yielded 50,000 dollars. The decrease of ship letters, the extension of the establishment through unproductive roads, and the acceleration of the progress of the mail, may, however, cause some defalcation in the receipts of the ensuing year.

Three hundred and twenty six thousand and 52 dollars and eight cents have been received during the same year, on account of public lands; of which sum, 17,162 dollars and 50 cents were paid in the treasury in evidences of the public debt, 179,575 dollars, and 52 cents in specie. The local situation of the land offices not having yet rendered it practicable to draw the balance from the receivers of public monies.

Three hundred and forty thousand acres of land have been sold for six hundred and eighty thousand dollars, during the year ending on the 21st day of October last; of which quantity near ninety seven thousand acres were sold on account of the emptiness claimed by purchasers under John Cleves Symmes, and two hundred and forty three thousand acres are the result of CURRENT SALES. The annexed statement (A) designates the quantities respectively sold in the several districts, and the annual payments receivable on account of the balance of nine hundred and sixty thousand dollars due on title and the preceding sales.

From those several results, it appears probable that the annual receipts under this head, will not, on an average, fall short of the sum of four hundred thousand dollars, at which they have been estimated.

Although it had been anticipated that the receipts in the treasury, on account of duties on merchandize and tonnage, could not, for the present year, be affected by the restoration of peace in Europe, yet the sum actually paid has exceeded the most sanguine expectations. Twelve millions, two hundred and eighty thousand dollars have been received during the course of the year ending on the 30th day of September last: a sum larger, by two millions of dollars, than the amount received for the same duties during the preceding, or any other year; and which exceeds, by twelve hundred thousand dollars, the aggregate heretofore collected, in any one year, on account of both the IMPOST and the INTERNAL DUTIES, repealed by an act of last session.

This excess, which had not been calculated upon, is considered, alone, as amply sufficient to cover any possible defalcation, which might, during the next and ensuing year, reduce that branch of the revenue below last year's estimate of nine millions five hundred thousand dollars. Such defalcation is not, however, apprehended, for although there are not yet sufficient data,

precisely to ascertain the effect of peace on the amount of duties, those which are in the possession of this department, tend to corroborate the presumption, that that sum at least, (nine millions and an half) will hereafter be annually received. The statement (B) which exhibits a comparative view of that revenue, for each quarter during the last two years, shows that the amount of duties accrued during the nine first months of the present year, exceeds eleven millions three hundred thousand dollars; and after deducting three millions five hundred thousand dollars, a amount of debentures issued during the same period, on account of the re-exportations of foreign goods, leaves for those three quarters, a balance of more than seven millions eight hundred thousand dollars subject to no other deduction than the expenses of collection: and from the knowledge already obtained of the importations during the present quarter, as well as from the gradual diminution of re-exportations, no doubt remains that the net revenue accruing during the whole year will exceed the estimate.

From present appearances, the whole of the permanent REVENUES of the United States may therefore be reasonably computed at ten millions of dollars,—of which sum, seven millions three hundred thousand dollars are appropriated for the payment of the principal and interest of the Public Debt, and two millions seven hundred thousand dollars are applicable to the current expenses of government.

According to the estimates for the year 1803, those expenses will, exclusively of a sum of 180,000 dollars, wanted to cover the navy deficiencies of years 1801 and 1802, but including sundry permanent appropriations which make no part of the annual estimates; amount to 2,669,000 dollars: to wit.

For the civil department, and all domestic expenses of a civil nature	680,000
For expenses attending the intercourse with foreign nations, including prize causes and Barbary powers,	250,000
For the military and Indian departments,	830,000
From the naval establishment, calculated on a supposition that six frigates shall be kept in constant employment,	900,000
Dollars,	2 669 000

Neither the payments due on account of the convention with Great Britain, and which will, for three years, amount annually to eight hundred and eighty-eight thousand dollars, nor the instalments and interests due on account of the 200,000 dollars loan obtained from the state of Maryland, for the city of Washington, are included in that calculation; as they may be defrayed out of the following resources which make no part of the PERMANENT REVENUES, viz.

1st. The surplus of specie in the treasury, which, as the whole amount there will not, at the close of the present year, fall much short of five millions of dollars, far exceed the sum which it is prudent to keep.

2dly. The uncollected arrears of the direct tax, estimated at four hundred thousand dollars.

And 3dly. The outstanding uncollected internal duties, amounting to near seven hundred thousand dollars.

The only embarrassment experienced during the course of last year, arose from the difficulty of procuring the remittances necessary to meet the large instalments of the debt due in Holland. The impossibility of obtaining bills on that country, to the amount wanted by government, and the loss which, on account of the rate of exchange, must be incurred by remitting circuitously through England, induced the secretary of the treasury to recommend, in a report to the commissioners of the sinking fund, (marked C.) a recourse to bank stock as the most favorable mode of remitting.

Of the five thousand shares in the stock of the bank of the United States, originally subscribed by the United States, 2780 shares had been sold in the year 1796, by virtue of the act, entitled "An act making provision for the payment of certain debts of the United States;" and for the purpose of discharging a part of the debt due to the bank.—The remaining 2,220 shares were now, under the same authority, sold at 45 per cent. advance: the 1,287,600 dollars which they produced were, in conformity to the provisions of the said act, applied towards discharging an equal amount of that part of the debt, which had become due to the bank before or during the year 1796; and the purchaser of the stock, sold, at the same time, to the treasury, an equal sum in bills on Holland at 41 cents per guilder; the securing of which large amount, at that rate, was the inducement on the part of government to dispose of the bank stock on those terms. As the dividend usually received on the bank stock sold, and the annual interest payable on the debt due to the bank, thus extinguished, were nearly equal, the July half yearly dividend on the stock, was in fact the premium paid for the purpose of affixing the remittance; and government has thereby been enabled to obtain, without raising the price of exchange, the whole amount wanted to meet the payments due in Holland, till the month of September 1803.

Exclusively of, and in addition to the debt of 1,287,600 dollars thus paid to the bank, out of the proceeds of the sales of bank shares; a sum of eight millions three hundred and thirty four thousand, seven hundred and fifty seven dollars and eighty nine cents, has been paid out of the treasury during the year ending on the 30th day of September last, on account of the principal and interest of the Public Debt, and the payments in part of the principal of the debt, made during the same period, have been as followeth.—

1st. The payments on account of the principal and interest of the domestic debt, have been dollars, 4,628,105 39

From which deducting one year's interests on the same, 3,470,259 75 leaves a sum applied to the reimbursement of the principal of the six per cent and deferred stocks, of 1,157,845 64

2d. Paid to foreign officers, and for the registered debt, 9,603 18

3d. Principal of domestic loans, (exclusively of the 1,287,600 dollars paid out of the proceeds of bank shares) 202,400

4th. Evidences of public debt paid for lands, 17,192 50

5th. The payments on account of the principal and interest of the foreign debt have been, \$310,874 38

From which sum deducting one year's interest & charges, equal to 462,731

And on account of the different rates at which bills have been purchased, and of sundry bills returned for non-payment, and now in suit, a further sum of 82,284 98

Leaves applicable to payment of the principal, 2,765,858 34

Amount altogether to four millions, one hundred and fifty two thousand, eight hundred and sixty nine dollars and sixty six cents.

And if to that sum shall be added the 1,287,000 dollars paid on account of the principal of the debt due to the bank out of the proceeds of the sale of the bank shares the 5,440,469 66

total amount of debt extinguished during that year, will be found to exceed five millions, four hundred and forty thousand dollars.

The balance of specie in the treasury which, on the first day of October, 1801, amounted to 2,943,718 dollars and 73 cts. had increased on the first October, 1802, to the sum of 4,539,675 dollars and 57 cents, making a difference in favor of the treasury of 1,595,956 dollars and 84 cts. which last sum added to the above mentioned payment of 4,152,869 dollars and 66 cents, made out of the treasury on account of the principal of the public debt, makes an actual difference in favor of the United States, of more than five millions seven hundred and forty thousand dollars, during that year.

The payments on account of the principal of the Public Debt, from the first day of April, 1801, to the 30th day of September, 1802, (exclusively of and in addition to the Bank Debt discharged out of the proceeds of Bank Shares amount to Dollars, 5,339,886 44

—viz.—
On account of the domestic debt, 1,334,942 81

On account of the foreign debt, 3,302,543 63

And in repayment of temporary loans, 702,400 00

5,339,886 44

And if to that sum shall be added the increase of specie in the treasury, during the same period, which (as the amount on the first of April, 1801, did not exceed 1,794,044 dollars and 85 cents) amounts to 2,745,630 72

the difference in favor of the United States, 8,085,517 16

for those eighteen months, will be found equal to eight millions, eighty five thousand five hundred and seventeen dollars and sixteen cents.

Of the annual appropriation of 7,300,000 dollars for the principal interest of the Public Debt, near three millions nine hundred thousand dollars will be wanted to pay the interest which falls due in year 1803, and the residue, amounting to three millions, four hundred thousand dollars may be considered as the sum applicable, during that year to the extinguishment of the principal of the public debt.

From all which, it results that so long as the United States shall not be affected by any unforeseen calamity, and whilst the public expenditures shall be kept within their present limits, there does not appear any necessity for increasing the public revenues.

All which is most respectfully submitted by

ALBERT GALLATIN,
Secretary of the Treasury.

Treasury Department,
Dec. 16, 1802.

STATEMENT

Of Lands sold in the districts of Cincinnati, Steubenville, Chillicothe, and Marietta, Ohio, and the amount due on the 1st November, 1802.

District	Pre-emption hands in do.	1 Nov. 1801	1 Nov. 1802	12 months ditto	8 months ditto	12 months ditto	8 months ditto	12 months ditto	8 months ditto	12 months ditto	8 months ditto	12 months ditto	8 months ditto	12 months ditto	8 months ditto
Cincinnati	42,308	66,835	70,954	78,427	78,427	78,427	78,427	78,427	78,427	78,427	78,427	78,427	78,427	78,427	78,427
Steubenville	18,070	13,842	14,199	14,199	14,199	14,199	14,199	14,199	14,199	14,199	14,199	14,199	14,199	14,199	14,199
Chillicothe	1,440	951	951	951	951	951	951	951	951	951	951	951	951	951	951
Marietta	18	94	94	94	94	94	94	94	94	94	94	94	94	94	94
Total	63,836	93,722	96,098	107,677	107,677	107,677	107,677	107,677	107,677	107,677	107,677	107,677	107,677	107,677	107,677

(A) Periods of payment for the instalments due per the above statement.

Period	Amount in 1803	Amount in 1804	Amount in 1805	Total
1st of January	872,700	986,350	601,000	1,979,780
1st of February	986,350	601,000	1,979,780	3,567,130
1st of March	601,000	1,979,780	3,567,130	6,147,910
1st of June	1,979,780	3,567,130	6,147,910	11,694,820

(B) A STATEMENT Exhibiting the amount of Revenue, accrued on account of duties on Importations, for each quarter, from the 1st day of October, 1800, to the 30th day of September, 1802.

Quarter	1800	1801	1802	Total
1st Quarter	2,209,216	2,209,216	2,209,216	6,617,648
2nd Quarter	2,209,216	2,209,216	2,209,216	6,617,648
3rd Quarter	2,209,216	2,209,216	2,209,216	6,617,648
4th Quarter	2,209,216	2,209,216	2,209,216	6,617,648

(a) This column shows the true amount of gross revenue accruing during each quarter (after deducting from the total amount of duties, the amount of debentures, bounties and allowances, granted for or in lieu of drawback on the re-exportation of foreign articles), and subject to no other deductions but the expenses of collection.

(b) The accounts of several small ports, for these three quarters, are on estimate.

(c) At a meeting of the commissioners of the sinking fund, on the seventh of June, 1802.

PRESENT,
The secretary of the Rate,
The secretary of the treasury,
The attorney general of the United States.

THE secretary of the treasury reported to the board, that provision has already been made to meet nearly all the demands which will become due in Holland, during the course of the present year, but, that it is necessary to make immediate provision for the payments on account of principal and interest which fall due there, during the first five months of the year 1803, and amounting to four millions, four hundred and thirty-nine thousand eight hundred and thirty Guilders, and payable at the following periods, viz.

1st of January, 872,700 Guilders.
1st of February, 986,350 do.
1st of March, 601,000 do.
1st of June, 1,979,780 do.

That from the great diminution of trade, between this country and Holland, he has ascertained during his late excursion to New-York and Philadelphia, that it is impracticable to obtain bills on Holland to that amount: That the rate of exchange is already forty-one cents per Guilder, and that any attempt on the part of the government to procure the large amount now wanted, would indubitably raise considerably, the rate of exchange: That if it shall be attempted to remit by the way of England, the loss will be also considerable, the present rate of exchange with that country, being now above par and raising, and would indubitably be enhanced, should government come into the market for large purchases; and the rate of exchange between England and Holland, being by the last advices ten Guilders eight stivers per

favorable, which supposing the whole amount in bills on England to be proctable (which is not believed to be the fact) 168, would, including the commission one per cent in England, amount to for three and a half cents per Guilder: That the bank of the United States having been applied to, has refused to undertake contract for making the necessary remittance: And that the two only confidable offers made to the secretary, are now submitted to the board, viz.

The Manhattan company offer to remit the whole, at the rate of forty-three cents per Guilder.

Alexander Baring offers to remit 3,140,487 16 1-2 payable in Amsterdam, at the following dates, viz.

1st of Jan. 1803, 605,000 Guilders
1st of February, 685,000 do
1st of March, 425,000 do
1st of June, 1,425,487 16 1-2 do

and at the rate of forty-one cents per Guilder, provided, however, that the United States shall sell to him the two thousand hundred and twenty shares of the bank of the United States, owned by the United States, at forty five per cent advance at the rate of five hundred and eighty dollars per share; which last proposition commended by the secretary of the treasury, as the most eligible; as excluding the advantageous rate of exchange secured by the transaction will not have an unfavorable effect on the rate of exchange generally, and by so considerably diminishing the demand, will enable the United States to obtain what is still wanted at a reasonable rate: And because, in consequence, the price obtained for the bank shares is more than could be obtained were they thrown into the market for sale, and more than their intrinsic value.

Whereupon it was resolved, by the board, "That the secretary of the treasury be authorized to sell the shares of stock of the bank of the U. States, belonging to the United States; and that the proceeds thereof be applied to the payment of the principal or principal of any part of the debt of the United States, which had become due to the bank of the United States, on or before the 1st of July, 1802, and which remains still unpaid, in conformity to the provisions of the act, entitled "An act making provision for the