

**REPORT**

*Of the Committee of Ways and Means, to whom was referred the report of the Secretary of the Treasury on the state of the Finances.*

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**DECEMBER 31, 1821.**

Printed by order of the House of Representatives.

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The Committee of Ways and Means, to whom was referred the annual report on the state of the finances,

**REPORT:**

That they have had under consideration that part of the annual report on the state of the finances, which recommends the exchange of a stock bearing an interest of five per cent. for the stocks bearing an interest of seven per cent. and those of six per cent. issued in the years 1812 and 1813.

The object of the Secretary of the Treasury appears to the committee to be practicable and advantageous, not only to the government, but to the holders of the stock; they, therefore, submit a bill. It proposes to exchange a stock bearing an interest of five per cent. for the seven per cents. due in 1825, and so much of the six per cents. due the same year, as will make a total of twelve millions of dollars; which will leave the sum of \$ 5,462,332, redeemable by the Commissioners of the Sinking Fund during that year. And it also proposes a like exchange for fourteen millions of dollars of the six per cent. stock due in the year 1826; which will leave unredeemed of the stock due that year, the sum of \$ 8,357,368; but the proportion of the Sinking Fund applicable to the payment of the principal of the debt during the year 1826, amounts only to the sum of \$ 5,707,000, which will leave, in that year, an unredeemed balance of \$ 2,650,000; which balance will be redeemed gradually by the operation of the Sinking Fund, as will be shewn by a document received from the Secretary of the Treasury, which the committee ask leave to submit as a part of their report; by which it will appear, that, if the proposed exchange of stocks shall take effect, and the amount of the Sinking Fund be continued at ten millions of dollars, the whole debt of the United States (the three per cents. excepted,) will be extinguished in the year 1833, except only the sum of \$ 1,952,000.

The same document shews a calculation bottomed on the idea that it may be deemed advantageous to reduce the amount of the Sinking Fund to eight millions of dollars; in which case the whole of the debt (the three per cents. excepted,) will be paid off in the year 1836, except the sum of \$ 1,281,000. But as the committee have deemed it advisable to divide the amount of the exchanged stocks into four annual instalments instead of three, (which had been recommended in the annual report on the finances,) it will, if adopted, prolong the final extinguishment of the present debt of the United States one year longer.

The committee are induced to propose that change as well to lessen the pressure on the finances at the time, as to do comparative justice to the holders of the seven per cent. stock, by giving them a longer time for their reimbursement.

All which is respectfully submitted.

*Calculations of the operation of the Sinking Fund, referred to in the letter of the Secretary of the Treasury, of December 25, 1821.*

**DEBT.**

Description of debt.	Amount.	When redeemable.
6 per cent. of 1812 - - -	\$ 8,855,981 83	
7 per cent. - - -	8,606,355 27	
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6 per cent of 1813 - - -	17,462,337 10	in 1825
6 per cent. of 1814 - - -	22,357,368 84	in 1826
6 per cent. of 1815, and funded	13,011,437 63	in 1827
Treasury notes - - -	10,954,994 17	in 1828
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	\$ 63,786,137 74	
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*Operation of the Sinking Fund of ten millions.*

Yearly amount applied to the payment of principal.	Total amount of principal paid.	Total amount of debt remaining unpaid.
1825 5,350,000		
1826 5,707,000	11,057,000	52,729,000
1827 6,049,000	17,106,000	46,680,000
1828 6,412,000	23,518,000	40,268,000
1829 6,797,000	30,315,000	33,471,000
1830 7,205,000	37,520,000	26,266,000
1831 7,636,000	45,156,000	18,630,000
1832 8,095,000	53,251,000	10,535,000
1833 8,581,000	61,832,000	1,954,000

*Operation of a Sinking Fund of eight millions.*

Yearly amount applied to the payment of principal.	Total amount of principal paid.	Total amount of debt remaining unpaid.
1825 3,210,000		
1826 3,435,000	6,645,000	57,141,000
1827 3,664,000	10,309,000	53,477,000
1828 3,884,000	14,193,000	49,593,000
1829 4,117,000	18,310,000	45,476,000
1830 4,364,000	22,674,000	41,112,000
1831 4,626,000	27,300,000	36,486,000
1832 4,904,000	32,204,000	31,582,000
1833 5,198,000	37,402,000	26,384,000
1834 5,510,000	42,912,000	20,874,000
1835 5,840,000	48,752,000	15,034,000
1836 6,191,000	54,943,000	8,843,000
1837 6,562,000	62,505,000	1,281,000

## APPLICATION.

1825.	The amount of debt redeemable in 1825, is -	17,462,000
	And the amount of the sinking fund applicable in that year - - - - -	5,350,000
	Which leaves, of the stock redeemable in that year, a surplus unredeemed, of - - - - -	12,112,000
1826.	The amount redeemable this year, is - - - - -	22,357,000
	And the amount to be applied - - - - -	5,707,000
	Which leaves a surplus unredeemed this year, of - - - - -	16,650,000
1827.	The amount redeemable this year, is - - - - -	13,011,000
	Amount to be applied - - - - -	6,049,000
	Surplus unredeemed this year - - - - -	6,962,000
1828.	Amount redeemable this year - - - - -	10,954,000
	Amount to be applied - - - - -	6,412,000
	Surplus unredeemed this year - - - - -	4,542,000
1829.	To this sum add, in order to give employment to the sinking fund, applicable this year, the surplus of the stock which was redeemable and unredeemed in 1827 - - - - -	6,962,000
	Making - - - - -	11,504,000
	Amount to be applied in 1829 - - - - -	6,797,000
	Surplus unredeemed this year - - - - -	4,707,000
1830.	To which add, of the surplus of 1826 - - - - -	2,498,000
	Making - - - - -	7,205,000
	Which sum is, also, the amount of the sinking fund applicable in the year 1830.	
	The sum of \$2,498,000 being deducted from the surplus redeemable and unredeemed in 1826, leaves a balance to be redeemed subsequently to the year 1830,	
	of - - - - -	\$14,152,000
	To which add the surplus redeemable and unredeemed, in 1825, of - - - - -	12,112,000
	Making - - - - -	26,264,000

<i>Amount brought forward</i>	- - - - -	26,264,000
Which may be exchanged for 5 per cent. stock, redeemable in 1831, 1832, 1833, and 1834, viz.		
In 1831,	- - - - -	7,636,000
		_____
		18,628,000
In 1832,	- - - - -	8,095,000
		_____
		10,533,000
In 1833,	- - - - -	8,581,000
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Leaving to be redeemed in 1834	- - - - -	1,952,000
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Fractions of a thousand dollars have generally been rejected in the calculations.





