



## BEP HISTORY FACT SHEET

Last Updated April 2013

### FRACTIONAL CURRENCY

Fractional Currency notes, of which there are many varieties, denominations, and issues, emerged during the Civil War. Once the war began, the public chose to hold on to coins because of their value as precious metal. The result was fewer coins available for circulation. To remedy the situation, Congress in 1862 authorized the use of postage and other stamps for paying debts to the U.S. government. This created a shortage of postage stamps. To solve this problem, notes in denominations of less than \$1 were issued. These notes were known as postage notes because their designs were taken from existing postage stamps. Later issues of such notes in denominations under \$1 had designs more in keeping with the appearance of currency notes. These issues were known as Fractional Currency and were authorized in 1863.

The Bureau of Engraving and Printing (BEP) was a new department at the time of the first issue of Fractional Currency, and so the currency was produced by two private companies—The American Bank Note Company and the National Bank Note Company.

#### Additional Sources

Milton R. Friedberg, *The Encyclopedia of United States Fractional and Postal Currency*, 1978.

Matt Rothert, *A Guide Book of United States Fractional Currency*, 1963.

### DESIGN FEATURES OF FRACTIONAL CURRENCY

The first issue of Fractional Currency had no Treasury Department signatures or seals. With the second issue, the size of all denominations became uniform, the obverse (the face) was printed in black and the reverse (the back) was printed in one of four colors (red, purple, green, or tan). With the third issue, more denominations were introduced. With the fourth issue, all denominations included Treasury seals. By the fifth issue, Fractional Currency was largely being phased out, and thus fewer varieties were produced.

### PORTRAIT OR VIGNETTE ON EACH FRACTIONAL CURRENCY NOTE

	First Issue	Second Issue	Third Issue	Fourth Issue	Fifth Issue
<b>3-cent</b>	N/A	N/A	George Washington	N/A	N/A
<b>5-cent</b>	Thomas Jefferson	George Washington	Spencer Clark	N/A	N/A
<b>10-cent</b>	George Washington	George Washington	George Washington	Bust of "Liberty"	William M. Meredith
<b>15-cent</b>	N/A	N/A	N/A	Bust of "Columbia"	N/A
<b>25-cent</b>	Thomas Jefferson	George Washington	William Fessenden	George Washington	Robert J. Walker
<b>50-cent</b>	George Washington	George Washington	Vignette "Justice" or Francis E. Spinner	Abraham Lincoln or Edward M. Stanton or Samuel Dexter	William H. Crawford

Fractional Currency  
Production Totals

Issue	Total Produced*
First	\$20,215,635.00
Second	\$23,164,483.65
Third	\$86,115,028.80
Fourth	\$176,567,032.00
Fifth	\$62,661,900.00

Year	Total Produced*
1863	\$20,192,456.00
1864	\$8,169,721.25
1865	\$14,614,563.15
1866	\$17,864,320.75
1867	\$19,916,530.65
1868	\$25,024,424.00
1869	\$23,709,131.65
1870	\$31,209,716.00
1871	\$31,103,900.06
1872	\$31,816,900.00
1873	\$38,674,800.00
1874	\$41,434,916.00
1875	\$36,612,800.00
1876	\$28,375,900.00
<b>Total</b>	<b>\$368,720,079.51</b>

\* These numbers were estimated based on available data

**ISSUANCE OF FRACTIONAL CURRENCY**

In all, there were five issues of Fractional Currency of varying denominations from 3 cents to 50 cents authorized between 1862 and 1876.

Issue	Denomination	Dates of Issue
First	5, 10, 25, and 50 cents	August 21, 1862 – May 27, 1863
Second	5, 10, 25, and 50 cents	October 10, 1863 – February 23, 1867
Third	3, 5, 10, 25, and 50 cents	December 5, 1864 – August 16, 1869
Fourth	10, 15, 25, and 50 cents	July 14, 1869 – February 16, 1875
Fifth	10, 25, and 50 cents	February 26, 1874 – February 15, 1875

**First Issue** These notes were known as postage currency and were available in 5¢, 10¢, 25¢, and 50¢ denominations. Printed by the American Bank Note Company and the National Bank Note Company, they were issued from August 21, 1862, to May 27, 1863.

**Second Issue** This series was issued in 5¢, 10¢, 25¢, and 50¢ denominations and printed by the BEP. The face of all denominations bears a portrait of Washington surrounded by an overprinted metallic bronze oval. This was an anti-counterfeiting device invented by the head of the BEP. Notes of the Second Issue were put into circulation from October 10, 1863, to February 23, 1867.

**Third Issue** The 3¢ denomination was added in this issue. This series is famous for the 5¢ note that bore the image of Spencer Clark, the first chief of the BEP. Its appearance caused a political uproar, and Congress made it illegal for any living person to appear on U.S. currency. The Third Issue was available from December 5, 1864, to August 16, 1869.

**Fourth Issue** This series was issued in 10¢, 15¢, 25¢, and 50¢ denominations. It is the first series to bear the Treasury seal and was issued from July 14, 1869, to February 16, 1875.

**Fifth Issue** This last issue of Fractional Currency consisted of 10¢, 25¢, and 50¢ notes. The notes were issued from February 26, 1874, to February 15, 1876.

Production of Fractional Currency ceased on February 15, 1876, as the production and usage of coins began replacing the need for smaller denomination notes. In April 1876, Congress passed an act that allowed Fractional Currency to be redeemed for silver coins.