



## US REVENUE STAMPS – FIRST ISSUE

“Using the Documents of Commerce to  
Fund the Civil War”



### Synopsis

#### Treatment

The **scope** of this **Revenue Fiscal History** exhibit includes the documentary taxes, or **schedule B**, of the Revenue Act of 1862, from **October 1, 1862 until September 30, 1872**. Proprietary items taxed in Schedule C such as medicines, playing cards and matches are excluded as these constitute a different field of study.

The twenty-four major categories or usages included in this exhibit are as follows:

Agreement, Bank Check, Bill of Lading, Bond Surety, Bond Other, Certificate, Contract, Conveyance, Entry of Goods, Express, Foreign Exchange, Inland Exchange, Insurance, Lease, Life Insurance, Mortgage, Original Process, Power of Attorney, Probate of Will, Protest, Receipt, Sale of Ship, Telegraph and Warehouse Receipt.

**Balance** may appear uneven as there can be multiple items shown for a document type. Some categories had only one rate for one specific transaction that did not change during the entire period. Other categories had up to seventeen different rates or a variety of classes of documents that fit into the document type.

**Completeness** - Thirty major document types were taxed. This exhibit shows all but six of these categories. Those are: Charter Party (10 recorded), Gauger's Return (1 recorded), Lottery Ticket (none recorded), Manifest (7 recorded), Measurer's Return (none recorded) and Passage Ticket (8 recorded). Within some categories, there are tax rates with no examples recorded and rates with 1-5 recorded. Some of these have not been on the market in many years and therefore, they are not shown at this time. See Mahler, c: 1999.

#### Importance, Knowledge & Study

The **importance** of the tax act, and the stamps that were issued (almost 1.5 Billion), can be seen by the impact this tax burden had on businesses and the public. Everyone was affected by the tax to fund the war effort and pay down the resulting debt, even as they endured the hardships of a nation at war. **Philatelically**, the exhibit documents the first **national** use of adhesive revenue stamps and represents the different document types and detailed tax rates over the entire ten year period.

The **Study and Research** of Revenue-Stamped Documents of the Civil War was greatly advanced by the extensive efforts and publishing of a rate book in 1988 and a catalog in 1999 by Michael Mahler. **Personal Study** was required to **analyze and evaluate** each document in this exhibit and to **interpret the transaction taking place and explain the tax**. Information pertinent to a person or place of historical importance or an unusual aspect of the document has been highlighted.

#### Condition, Rarity

**Condition** of some documents can be very fragile as many have been folded in archives for over 150 years. Others were stored carelessly and show wear and damage. Stamps, because of the pressure to produce them quickly, were frequently released in poor quality. The stamp's condition is secondary to the document type and tax rate being demonstrated. Overall, the condition is the best available to this exhibitor.

The **challenge** in Fiscal History is to find documents in relatively good condition that show the varied tax rates and have the appropriate text and stamps on the page being presented. **Obligatory and Early Matching uses are prized by collectors due to their relatively short history.** Many transactions were complex and multiple taxes could apply. The **difficulty of acquisition** would preclude anyone from being able to develop even a fraction of the exhibit material today without considerable time and effort.

### Presentation

Each frame consists of 8.5" x 11" or 11" x 17" pages. **Chapter Heading (Left)** introduces and describes the **usage and a rate table which shows rates throughout the cycle. Penalties for avoiding the taxes are also noted. Sub-headings (Centered)** will show categories within usage, if applicable. At the **top of each page**, a chapter heading or sub-heading will be continued or a new one presented so the flow can easily be determined. Some documents may be presented folded to show payment of the tax. Scans of other pages or reverse of a document to show dates, amounts or other information may be used. Each document description will show the **transaction date first** to allow the viewer to track the amendments being taxed which is shown second followed by the description.

Over the entire ten year period, Obligatory Matching Use (OMU) were created for less than three months and Early Matching Use (EMU) were created for only six months, and are therefore rarer and more sought after by collectors. Note, generally speaking, Mr. Mahler defines the **EMU period as ending on 6/30/1863** but that **date is flexible per Mr. Mahler** so there may be documents defined as EMU that will go out days or a few weeks beyond the 6/30/1863 date. These uses will be given preference in documenting the 1862 and early 1863 rates. Nominally Illegal Use and Postage Used as Revenue were inappropriate or illegal and, while usually still paying the rate, are very uncommon, especially on documents other than checks and receipts.

As this exhibit's focus is on the tax rates, after the OMU period any stamp can demonstrate the tax payment and appropriate examples will be used.

### Highlights of the Exhibit

Because of their short period of use, **OMU & EMU** documents should all be highlighted. **OMU's have orange matting, EMU's have a gray matting, Nominally Illegal Use will have a green matting and Postage Used as Revenue, will be mounted on yellow matting.**

Some documents have rarer stamps but as the focus is on the document type and tax, they are not necessarily called out but add to the overall impression of the exhibit. Rare usages such as the Warehouse Receipt (less than 10 EMUs), the Letters of Administration EMU (less than 5 known), Bond and Bill of Lading EMUs (less than 10 known) Sale of Ship (7 recorded for the 1863 rates), among others show the difficulty in developing an exhibit such as this. The condition on many items is exceptional for their relative age.

### References

- A Catalog of United States Revenue-Stamped Documents of the Civil War Era by Type and Tax Rate", c: 1999 by Michael Mahler
- "United States Civil War Revenue Stamp Taxes", c: 1988 by Michael Mahler
- <http://www.robinsonlibrary.com/social/publicfinance/revenue/incometax/1862.htm>
- "The Boston Revenue Book", c: 1899 by the Boston Philatelic Society. Quaterman Publications Inc.
- "An Introduction to Revenue Stamps", c: 1994 by Castenholz and sons, Castenholz and Sons Publishers

**The first contribution in 1988 by Mr. Mahler** assembled all the statutes and rulings necessary to understand the complex tax rates and how they were interpreted. **His later catalog in 1999 greatly enhanced the field of Revenue Fiscal History study by illustrating and explaining the material and making a first attempt at setting rarity and values for the documents.** It is the most important resource on the subject and was the foundation for this exhibit. The difficulty of exhibiting in this category would be almost impossible without his thorough research.