

April

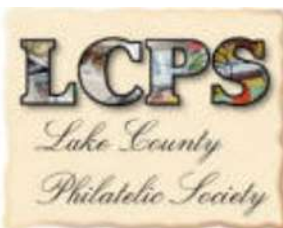
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Newsletter of the Lake County (IL)

Philatelic Society - Established 1933

Website: LCPSHOME.ORG

Perforations



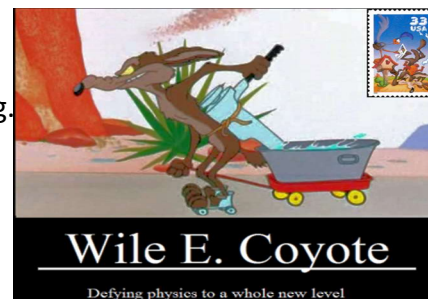
2019 April 14

Last month, we saw a fun presentation on the art of stamp identification presented by Tom Willer, Larry Linden and others. Due to a camera malfunction there are no photos.

This month, we will have the presentation "**Passing on Your Stamp Collection**" Jerry Dacs.

The presentation for May will be an extension of the "**Stamp Identification**" presentation – this time as seen by a physicist – it should prove to be less than entertaining.

In June, will find us back at the Grayslake Library, as the Warren-Newport goes into its Summer event schedule. The scheduled lecturer is Jerry Nylander (one of the directors of the Chicago Philatelic Society) who will talk on a topic to be named later. He last spoke to us in 2012 July.



The July, Werner Stein will present — if we can find a venue. Both Grayslake and Warren-Newport libraries are on Summer "Lock Down" for their educational and out-of- school programs. There is a chance for July 30, as they have not scheduled anything that evening (but the schedule is not open yet to book the room).



R0

Revenue Stamps: In the beginning, the first revenue stamps appeared as a result of the 1765 Stamp Act, the taxes of which were not well received by the colonists of the day. The stamps were issued to help pay down the debt the United Kingdom racked up by the Seven-Years (French-Indian) War (1756-1763). This one (R0), was the British American colonial issues that was required for most printed materials. The stamps were issued on specially prepared stamped paper (e.g. legal document and newsprint/broadside sized sheets) produced in London which carried an embossed revenue stamp.

It was this stamp that started the path to independence in 1787 of thirteen of Britain's 34 American colonies.

The subject of revenue stamps appeared again in 1862, when the United States was looking for a means of augmenting revenue to finance the Civil War (April 1861-1865). In August 1862, the United States (Union) government began taxing a variety of goods, services and legal dealings. To confirm that taxes were paid a 'revenue stamp' was purchased and appropriately affixed to the taxable item, which would in turn pay the tax duty involved.

On Congressional authorization, the Commissioner of Internal Revenue took bids for the printing and production of the first U.S. revenue stamps. The Department of Internal Revenue awarded Butler & Carpenter of Philadelphia the printing contract who were paid \$19,080 to produce one hundred and six printing plates, including the rolls, dies and all material necessary to maintain stamp production. Butler & Carpenter soon began producing the first revenue stamps which were issued for use beginning 1862 October 01.

The new stamps (thirty denominations from one-cent to \$200) were all based on a portrait of George Washington by Gilbert Stuart and were printed in several colors. The first issues were printed on hard brittle paper and later printed on soft woven paper of varying thicknesses. Colors were generally dull for stamps printed before 1868. The stamps were issued in sheets perforated with 12-gauge perforations or imperforate. This Washington design remained the only figure on the dozens of varieties issued up until 1874.



Scott 5064

Treasures' Report: Total – \$3,343.55

**Local
Stamp
Shows**

COMPEX STAMP SHOW
Guerin College Preparatory High School
8001 W. Belmont Ave.,
River Grove IL
May 31, June 1-2

MSDA Summer Show
Crown Plaza Milwaukee Airport
6401 South 13th Street
Milwaukee WI
July 6-7

MSDA Chicago North Show
Ramada Inn
1090 S Milwaukee Ave.
Wheeling IL
July 27-28

Next meeting:

7-PM on Tuesday 30 April 2019
at the Warren-Newport Library
224 O'Plaine Rd Gurnee IL 60031



Officers:

Dr Tom Willer – President
Bill Schultz – Vice President
Dave Sadler – Secretary
Ed Pieklo – Treasurer

The new revenue stamps were used to pay tax on proprietary items such as playing cards, patent medicines and luxuries, and for various legal documents, stocks, transactions and various legal services. The cancellation of these stamps was usually done in pen and ink, while hand stamped cancellations were seldomly used and subsequently are more rare. When the Civil War ended it did not mean an end to revenue taxes as the federal government still had not paid the \$2.7 billion debt it had acquired until 1883, at which time it finally repealed the excise tax.

Several other widely used products, such as cotton, tobacco and alcohol, were also charged a proprietary tax which appreciably contributed to the revenues generated.

Three distinct revenue stamp series were produced to pay the taxes during that twenty-one-year period.

First issue design types (see figure below) - The first series of revenue stamps have two distinctive design types with each stamp designating the tax 'duty'. Designs for denominations 1-cent through 20-cents were simple, bearing a portrait of George Washington, while stamps with denominations 25-cents through 1-dollar are larger and have a more elaborate design and designate the tax duty in a lower banner. Stamps with denominations of \$1.30 were used to pay the tax duty for foreign exchange only, \$1.50 for Inland exchange only while the stamps with denominations of \$1.60 and \$1.90 were for Foreign exchange only and oddly bear no duty designations in the stamp design. Denominations of 2-dollars through 10-dollars have tax duties designated in the lower circular banner surrounding Washington's portrait. Denominations of 15-dollars through 50-dollars have tax duties designated in the right side of the circular banner surrounding the portrait. The design used for the 1-cent denomination is unique and is not used for any other denomination.



Various tax duties were only served by certain revenue stamps as some duties were only found on lower or higher denomination revenue stamps. For example, revenue stamps with a designation for *Playing cards* occur only on denominations of 2, 3, 4, 5 and 6 cents, while the 25-cent denomination revenue stamp is the only one whose designation specifies *Bond*. A specialized stamp catalog is needed to see the different occurrences of tax-designation to denomination combinations.

Second issue - The second issue of revenue stamps were *Documentary* stamps and issued in 1871. After the Internal Revenue received many reports of the fraudulent re-use of revenue stamps, typically with cancellation ink washed or otherwise removed from the face of the stamp. This problem, after a period of experimentation, led to producing stamps of a lighter shade and on a paper that more readily absorbed cancellation ink.

The new paper was finally employed in stamp production in early 1869 and by 1871 a second series of stamps were issued, printed on a special patented "chameleon" paper containing silk fibers which can be seen in the paper with the naked eye. Still produced by Butler & Carpenter of Philadelphia, the entire second series, with the exception of the 200-dollar issue, were printed in the same bi-color combination, with the portrait of Washington printed in black and with the frame work in blue with various ornate and elaborate designs, popular during that period.



Scott R133

The highest values in the second issue of revenue stamps are 200-dollar and the 500-dollar stamps and are commonly referred to by collectors as the *Small* and *Large Persian rug* revenue stamps respectively, which are considered by many to be among the most colorful and elaborately engraved stamps in all of philately. Both the 200 and 500-dollar stamps were printed in very limited quantities. The 200-dollar *Small Persian Rug* had a printing of 446 copies, with approximately 125 known surviving examples. The stamps were printed one to a 'sheet', with margins on all four sides with inscriptions on the two side margins. The only surviving full sheet of the *Small Persian rug*, was used to pay tax duties on the will of Erastus Corning, Sr. in 1872. The 500-dollar *Large Persian rug* (above – right) is indeed larger, measuring 2.125 by 4 inches with only 204 stamps of this denomination ever issued.

Third Issue - Because the second issue of revenue stamps were all printed in the same blue and black colors they were often difficult to distinguish at a glance by Internal Revenue employees. Subsequently, a third issue of stamps with similar designs and some variations as the second issue but with distinctive colors assigned to the various denominations was released between 1871 and 1872. Unlike many of the stamps in the second issue, the third issue does not designate any duty type in the stamp designs. Double transfers and inverted centers occur in nearly all the different denomination designs.

By 1875 the Internal Revenue awarded the contract to print for revenue stamps to the National Bank Note Company who prepared a second series of proprietary stamps. The new revenue stamps are commonly referred to as the "second proprietary issue," and occur in 1-cent, 2-cent, 3-cent, 4-cent, 5-cent, and 6-cent denominations. Use of revenue stamps to pay proprietary taxes ended on 1883 July 01. Since then, we've seen the Liberty issue of 1875, the over prints of ordinary stamps of 1898 that lead to the release of the Battleship Issue, the Newspaper "Commerce" series and a high-value issue of dead statesmen - all as a result of the Spanish American War.

Since 1900, there have been an additional three varieties with various watermark and overprints. None of these are any works of art and reflect the nature of the IRS.