

**United States Demonetization and Transition
to the 1861 Issue Stamps**

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The pages have been numbered at the bottom for ease of reference

United States Demonetization and Transition to the 1861 Issue Stamps

Purpose: To explain demonetization of the 1857 issue stamps and transition to the 1861 issue stamps, relatively chronologically, by showing examples of post office handling of demonetized postage, legal mixed uses of 1857 and 1861 stamps and the earliest recorded uses of the 1861 1 and 3 cent stamps.

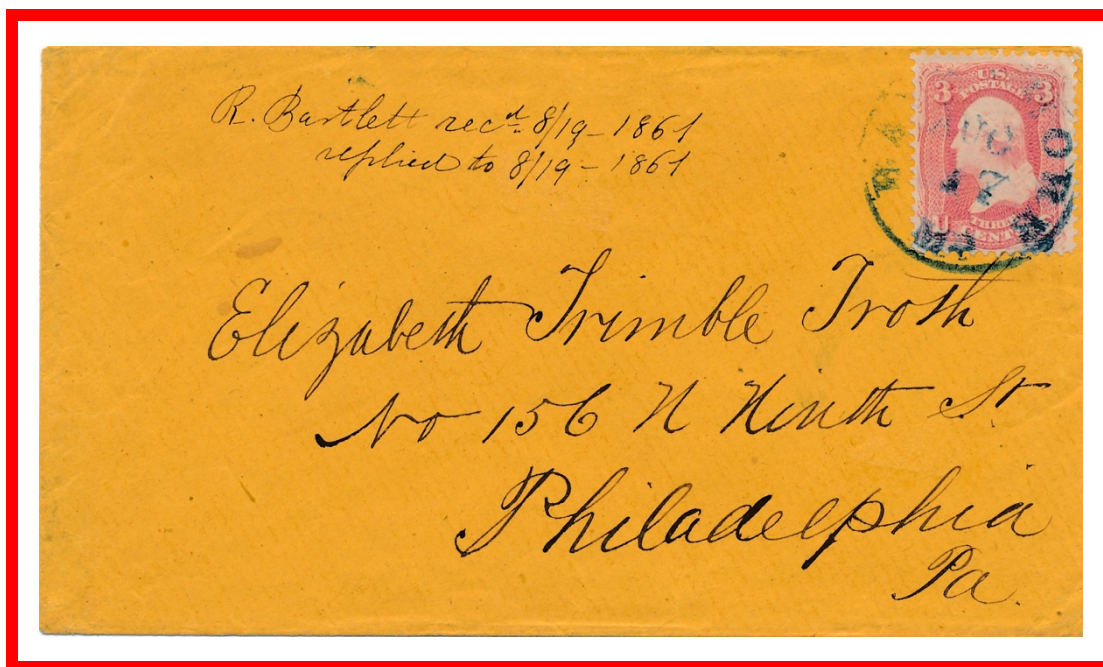
Background: Alabama, Florida, Georgia, Louisiana, Mississippi, South Carolina and Texas seceded from the Union and created the Confederate States of America (CSA) February 4, 1861. The Federal government continued to operate the postal services in the CSA. However, growing hostilities led the Union to terminate those postal services effective May 31, 1861. The CSA initiated its own postal system June 1, 1861. Thousands of dollars of USA stamps and postal stationery resided in Southern post offices at that time. The Federal government demonetized all 1851-1860 stamps and all but two stamped envelopes and issued new stamps and stamped envelopes to prevent the CSA from using USA postage to financially aid the rebellion. Northern post offices employed various approaches and manuscript and hand stamped markings to deal with attempts to use demonetized postage and the uneven national distribution of the 1861 stamps.

Organization:

- | | |
|--|--|
| Page 1: Earliest Recorded Use 1861 3 Cent Stamp | 6-12: Demonetized 1857 3 Cent Stamps Rejected |
| 2: Legal Mixed Use 1857 and 1861 Stamps | 13: 1857 12 Cent Stamp Accepted |
| 3: Legal Mixed 1857 and 1861 3 Cent Franking | 14: 1857 1 Cent Stamp Accepted |
| 4: Earliest Recorded Use 1861 1 Cent Stamp | 15: Illegal Acceptance Demonetized 1857 Stamp |
| 5: 1861 3 cent Stamp Across-the-Lines Mail | 16: Late Acceptance Demonetized 1857 Postage |

Red borders: Significant cover. **Blue borders:** Newly recorded item. **Cert:** Certificate from the PF.

Rarity: Several uses of demonetized 1857 stamps and mixed 1857 and 1861 stamps and the earliest recorded uses of the 1861 stamps exhibited here are either unique or among a very few recorded examples.



Cert

Earliest Recorded Use 1861 3 Cent Stamp.

One of 2 recorded examples of the 1861 3 cent stamp used on the first day of issue, August 17, 1861, at Baltimore, MD.

Legal Mixed Use 1857 and 1861 3 Cent Stamps

Receipt of the 1861 stamps by a post office was advertised in a local newspaper and a 6 day exchange period was initiated, during which old stamps could be exchanged for new stamps. When the exchange period expired, which varied widely among post offices depending upon the date they received the new stamps, the old stamps were demonetized and could no longer be exchanged or used to pay postage at that post office.



Cert

August 17, 1861 Emmittsburgh, PA to Philadelphia, PA legally franked with 1857 3 cent stamp. Forwarded from Philadelphia August 19, 1861 appropriately franked with the 1861 3 cent stamp.

The only recorded example of the 1861 3 cent stamp used on the first day of issue, August 19, 1861, at Philadelphia.



September 2 (1861) Wayland, MA franked with the 1861 3 cent stamp to Brattleboro, VT. Forwarded September ? (1861) franked with the older 1857 3 cent stamp because distribution of the 1861 stamps had not yet reached Brattleboro, VT.

Legal use of the 1861 3 cent stamp followed by legal use of the 1857 3 cent stamp.

Legal Mixed 1857 and 1861 3 Cent Stamp Franking



Cert

(Personal Discovery)

September 19 (1861) Leominster, MA to New York, NY franked with an 1857 3 cent stamp affixed over an 1861 3 cent stamp in the Pigeon Blood pink shade to pay the double weight postal rate.

Both stamps were acceptable during the brief exchange period in Leominster, MA.

The only known true mixed franking of the 1857 and 1861 3 cent stamps.

1861 3 Cent Stamp on Across-the-Lines Mail

The USA and the CSA permitted private express companies to carry mail across-the-lines beginning June 15, 1861 if their respective postage was paid in addition to the express company fees. Louisville, KY and Nashville, TN became the principal distributing offices in the USA and CSA, respectively, for all northbound and southbound mail.

The Adams Express Company was the predominant across-the-lines mail carrier. The Southern Express Company jointly operated the across-the-lines business with the Adams Express Company.

The Louisville, KY postmaster received 1861 stamps on August 22, 1861, initiated only a 3 day exchange period which ended on August 24, 1861 and demonetized the 1857 stamps on August 25, 1861. President Abraham Lincoln terminated all intercourse, including correspondence, with the seceded states on August 26, 1861, ending all mail conveyance across-the-lines by the private express companies.

1861 Stamps Could Only be Used on Across-the-lines Mail Between August 22 and 25, 1861.



Cert

Carried northbound across-the-lines by The Southern Express Company franked with the Nashville, TN 5 cent provisional stamp to pay the CSA postage for a letter traveling less than 500 miles and tied by "THE SOUTHERN EXPRESS CO./AUG 23/NASHVILLE" handstamp. Endorsed "*Paid 2/-*", indicating prepayment of the express fee of two bits (25 cents). The cover arrived the next day at the Adams Express Company where the USA 1861 3 cent stamp was affixed to pay the USA postage. It was deposited in the USA mail at Louisville August 25, 1861 for delivery to Philadelphia. The cover was mistakenly routed to the USA DLO but was forwarded September 5 (DLO handstamp on reverse) to the addressee, marked "REC'D SEPT. 7" and "DUE 3 cts" in Philadelphia.

The only recorded cover bearing the Southern Express Company handstamp.

One of 2 recorded across-the-lines covers bearing an 1861 3 cent stamp.

One of 6 recorded across-the-lines covers franked with the Nashville, TN 5 cent provisional stamp.

Earliest Recorded Use 1861 1 Cent Stamp on Cover

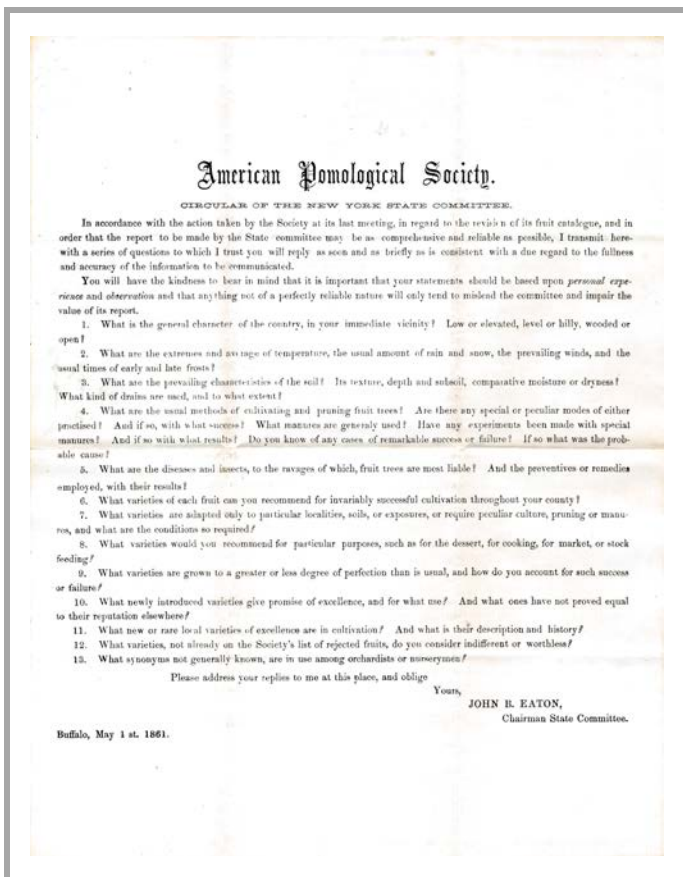


Cert

(Personal Discovery)

August 21, 1861 Buffalo, NY circular paid by the 1861 1 cent adhesive.

One of 5 recorded covers bearing the 1861 1 cent stamp postmarked August 21, 1861 and the only one posted in Buffalo, NY. The other four were postmarked in Philadelphia or Pittsburgh.



NOTICE.

POST OFFICE, BUFFALO, }
August 19th, 1861. }

Having now received a partial supply of the New Style of Postage Stamps and Stamped Envelopes, from the Post Office Department, according to instructions, I hereby give public notice that I am prepared to exchange stamps of the new style for an equivalent amount of the old issue, during a period of six days from the date hereof, and that the latter will not hereafter be received in payment of postage sent from this office.

an21-t24

A. M. OLAPP, P. M.

Buffalo Morning Express August 21, 1861

Buffalo received 1861 stamps on
August 19, 1861.

Scan of the circular dated May 1, 1861

(Reduced by 60%)

Demonetized 3 Cent Stamps Not Accepted “Old Stamps Not Recognized”

Chicago, Harrisburg, and Philadelphia employed “Old Stamps Not Recognized” hand stamps to indicate the non-acceptance of demonetized 1857 stamps and postal envelopes.

Philadelphia



Cert

August 17, 1861 Philadelphia, PA to New Hope, PA on demonetized stamped envelope, resulting in “OLD STAMPS NOT RECOGNIZED” hand stamp. Postage “DUE 3” was to be paid by the addressee.

Second day of use of this “OLD STAMPS NOT RECOGNIZED” hand stamp.



Cert

September 26, 1862 Philadelphia, PA 1861 carrier fee appropriately paid by an 1861 1 cent stamp. A demonetized 1857 3 cent stamp was not accepted to pay postage, resulting in “OLD STAMPS NOT RECOGNIZED” hand stamp. Postage “Due 3” was to be paid by the addressee.

Demonetized 3 Cent Stamps Rejected “Old Stamps Not Recognized”

Harrisburg

September 2, 1861
Harrisburg, PA franked
with demonetized 1857
3 cent stamp resulting in
“OLD STAMPS NOT
RECOGNIZED”
hand stamp.
Postage “DUE 3” to be
collected from the
addressee.

One of 2 recorded
patriotic covers with
the Harrisburg, PA
“OLD STAMPS NOT
RECOGNIZED”
hand stamp.



Cert

Chicago



October 22 (1861)
Chicago, IL franked
with demonetized
1857 3 cent stamp,
resulting in “OLD
STAMPS Not
Recognized” and
“HELD FOR
POSTAGE”
hand stamps.
Such letters were
advertised in the
Chicago Tribune. The
sender responded,
affixed the 1861 3
cent stamp, and the
letter was postmarked
the next day,
October 23.

One of 2 recorded Chicago “OLD STAMPS Not Recognized” covers bearing both
the 1857 and 1861 3 cent stamps.

Demonetized 1857 3 Cent Stamps Not Accepted “Held for Postage”

Many postmasters employed “Held for Postage” hand stamps to indicate rejection of demonetized stamps.

New York City postmaster William B. Taylor received 1861 stamps on August 18, 26 and September 1, 1861 but chose not to announce their availability until September 16, 1861. He claimed that he lacked a sufficient number of new stamps to exchange for all the old stamps within a 6 day period. Taylor continued to announce availability of the new stamps and extend the exchange period. He appears to have never actually demonetized the older stamps as he accepted 1857 stamps to pay postage throughout 1861.

New York City



Cert

Pro-Union patriotic envelope franked with 1857 3 cent stamp backstamped May 9 New York, NY (not shown) to Unity, NH. Demonetized stamp not recognized, letter “Held For Postage”, 1861 3 cent stamp affixed, both stamps cancelled and postmarked May 16, 1862 (confirmed by enclosed letter).

Second earliest recorded use of an 1857 stamp demonetized in New York City.

Only known cover bearing a full strike of the New York City “Held for Postage” marking on a cover originally franked with a demonetized stamp.

**Demonetized 1857 3 Cent Stamps Not Accepted
“Held for Postage”**



August 21, 1863 Brockport, NY franked with demonetized 1857 3 cent stamp, “HELD FOR POSTAGE”, subsequently franked with an 1861 3 cent stamp affixed alongside, both stamps cancelled, and postmarked August 28, 1863.



May 13, 1863 New Orleans, LA to Boston, MA franked with a demonetized 1857 3 cent stamp, “HELD FOR POSTAGE”, subsequently franked with an 1861 3 cent stamp pasted over the 1857 stamp, and posted June 16, 1862.

Demonetized 1857 3 Cent Stamps Not Accepted Postage “DUE”

Some postmasters employed manuscript or hand stamped postage “DUE” markings.



Northbound flag-of-truce wallpaper cover posted January 15, 1864 by Confederate soldier from Mobile, AL franked with demonetized 1857 3 cent stamp. Carried across-the-lines “*Per Flag of Truce*” (under folded flap) and placed in the USA mail at Old Point Comfort, VA February 1 (1864).

Demonetized stamp was not accepted and the letter forwarded to Jackson, MO, hand stamped “DUE 6” (penalty rate of double the unpaid amount).



Follow-up northbound flag-of-truce wallpaper cover posted January 26, 1864 by the same Confederate soldier from Mobile, AL appropriately franked with 1861 3 cent stamp. Carried across-the-lines under flag-of-truce and placed in the USA mail at Old Point Comfort, VA February 8 (1864).

The soldier writes in the letter “...I answered it by flag of truce, but am afraid you will not get it, as the stamp I used was worthless one as I have since learned, one of the old issue...”

**Demonetized 1857 3 Cent Stamps Not Accepted
Postage "DUE"**



October 14, 1864 New Orleans, LA to local addressee franked with demonetized 1857 3 cent stamp overpaying the 2 cent drop letter rate. Stamp not accepted and hand stamped "Drop Letter" and postage "DUE 4" (penalty rate double the unpaid amount) to be paid by the addressee.



September 23 (1865?) New Orleans, LA to local addressee franked with demonetized 1857 3 cent stamp overpaying the 2 cent drop letter rate. Stamp not accepted and hand stamped "Drop Letter" and postage "DUE 2" to be paid by the addressee. The penalty rate had ended effective May 1, 1865.

Demonetized 1857 1 Cent Stamp Not Accepted No Markings to Indicate Non-acceptance

Some postmasters did not apply any markings to letters franked with demonetized stamps. They simply contacted the sender and posted the letter after the sender paid the postage with the proper stamps.



South Manchester, CT to Adamsville, NY franked with three demonetized 1857 1 cent stamps. The stamps were not accepted, not cancelled and the letter held for postage. A strip of three 1861 1 cent stamps was affixed over them, cancelled "PAID" and postmarked October 14 (1861).

1857 12 Cent Stamp Accepted

The Boston, MA postmaster advertised the availability of 1861 stamps August 21, 1861 and initiated a 6 day exchange period. However, he permitted 1857 stamps to continue to pay postage long after the exchange period had expired. This was permissible if he had exhausted his supply of 1861 12 cent stamps. Alternatively, he may have simply chosen to ignore the Federal edict and allow use of the 1857 12 cent stamps.



Pro-Union patriotic envelope franked with 1857 12 cent and 1861 3 cent stamps to pay the 15 cent rate via Bremen-Hamburg October 25, 1861 from Boston, MA to Vienna, Austria.



Pro-Union patriotic envelope franked with two 1857 12 cent stamps and 1861 1 cent and 3 cent stamps to pay the 28 cent rate via Prussian Closed Mail October 8, 1861 from Boston, MA to Vienna, Austria.

1857 1 Cent Stamp Accepted



September 17, 1861
New York, NY to
Boston, MA franked
with an
1857 1 cent stamp
to pay the carrier fee
to the mails and an
1861 3 cent stamp to
pay the postage.

The New York City postmaster advertised availability of the 1861 stamps September 16, 1861 and initiated a 6 day exchange period. So, this 1857 1 cent stamp was legally acceptable.

Second day of availability of 1861 stamps in New York City.

September 24, 1861
Watertown, NY to
Milwaukee, OR
franked with an 1857
1 cent stamp and three
1861 3 cent stamps to
pay the 10 cent trans-
continental postal rate
for a letter traveling
more than 3000 miles.



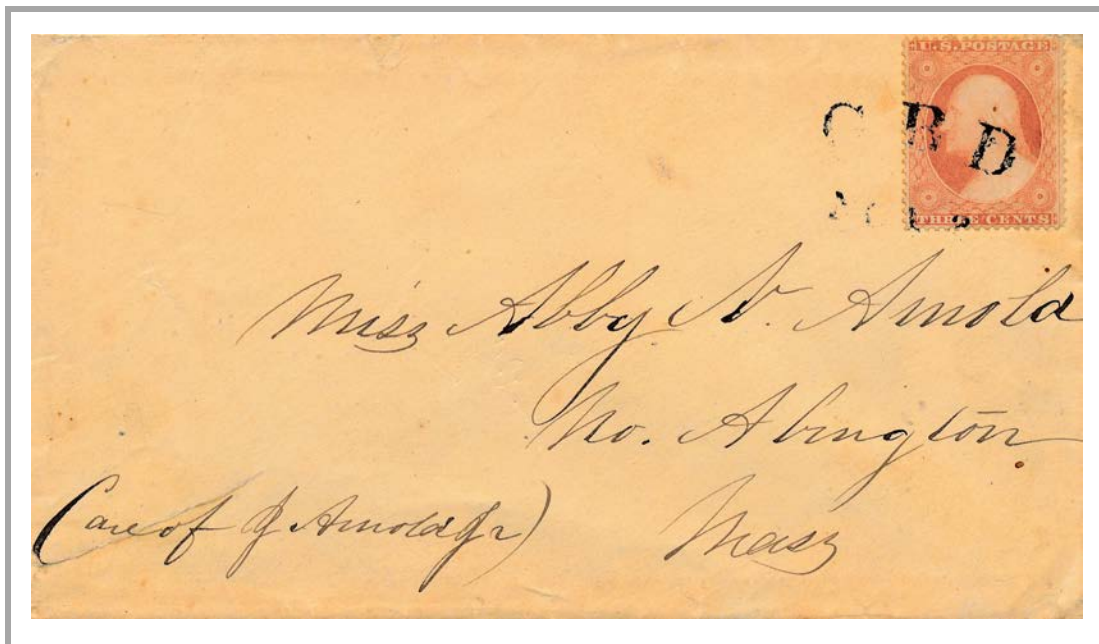
The Watertown, NY postmaster advertised availability of the 1861 stamps August 22, 1861. However, he allowed this 1857 1 cent stamp to pay postage long after the exchange period had expired. He either lacked 1861 1 cent stamps or chose to ignore the Federal edict and accepted the 1857 1 cent stamps.

Demonetized 1857 3 Cent Stamp Accepted General Banks Division

Union General Banks had a post office employee, Roscoe E. Houghton, appointed to his Division's Harper's Ferry headquarters to act as his field postmaster. Houghton had the authority to supply the soldiers with stamps and to use unique marking devices. Five different marking devices were employed between September 12, 1861 and November 27, 1862, three using the initials G B D, and two being "BANKS' DIVISION" circular date stamps. It is believed that the absence of any geographic origin was intended to prevent the Confederate army from learning the location of Banks' troops.

Houghton hand stamped prepaid letters "PAID" and unpaid letters "DUE 3" when he ran out of stamps.

Houghton allowed soldiers to use demonetized 1857 3 cent stamps in very rare instances.



Demonetized 1857 3 cent stamp accepted as postage on a November 2 (1861)
General Banks Division letter to North Abington, MA.

This Banks Division Type 111A hand stamp was used between November 1 and December 2, 1861.

One of 3 known examples.

Late Acceptance of Demonetized Postage

Attempts to use demonetized postage had become infrequent by the end of the Civil War. Most postmasters now considered collecting small amounts of postage due trivial in light of the effort required to ask senders or addressees to provide valid stamps. So, demonetized stamps and stamped envelopes were often accepted.



Demonetized Star Die entire accepted to pay postage June 13 (post-1865) University of VA, VA to King and Queen (county), VA.



Cert

November 12, 1865 Adrian, MI to New York, NY franked with demonetized 1857 1 cent stamp and 1861 2 cent and 3 cent stamps to pay the double weight postal rate.