



The American Revenuer

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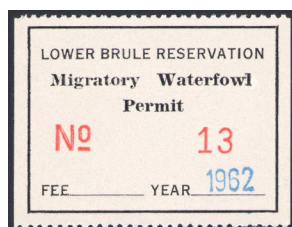
Second Issue 25¢ with so-called "sewing machine perforations," in fact probably created by instruments like those shown here. More inside, page 2.



◆ JOURNAL OF THE AMERICAN REVENUE ASSOCIATION ◆

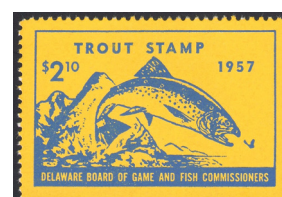
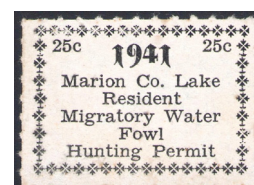
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A Hypothesis: Privately Produced Sewing Machine Perforations Were Neither

By James N. Drummond

Figure 1. The four Second Issue denominations on which sewing machine perforations are found, including the Scott-unlisted 5c



Sewing machine perforations on early U.S. revenue stamps (**Figure 1**) have long been thought of as being privately applied. In *The Boston Revenue Book*, a brief paragraph describing these perforations follows the description of the Second Issue 25c (Scott R112):

This stamp is known perforated by sewing machine and the natural inference to be drawn from that fact is that a sheet or more were issued imperforate by mistake and that the buyer, not wanting the trouble of cutting them apart, simply ran them through a sewing machine, the needle acting as a perforator.¹

A further short sentence follows the descriptions of the Second Issue 50c (R115) and \$1.50 (R120), as well as the 3c Proprietary (RB3): "This stamp is known perforated by sewing machine." No further mention of sewing machine perforations is made in the rest of the book.

Other authors have perpetuated this assumption. For example, in *The Revenue Stamps of the United States*, Christopher West (Elliot Perry) wrote:

The 25c and 50c blue and black are occasionally seen with a sewing machine

perforation instead of the regular perf. 12. The \$1.50 blue and black and the 3c green and black proprietary also exist with this unofficial perf. and are very rare. It is believed all of these stamps came from sheets that were issued imperforate by accident and were privately "perforated" by a sewing machine. The needle of the machine punched a row of holes between the stamps but did not cut away any of the paper. It is a true "pin perf." The perforation is seldom regular even on the same side of the same stamp but most frequently gauges from 8 to 12 and rarely cuts into the design. The margins around the designs are nearly always so large the perf. could not have been faked and only an occasional specimen appears to be of doubtful genuineness.²

For over one hundred years this explanation for the existence of these uncommon perforation varieties has been repeated by dealers and collectors alike. The author believes that all of the so-called sewing machine perforation varieties, as well as the even-rarer perforated 8 varieties, were not made privately. And that they were not made with

1. *The Boston Revenue Book*, George L. Toppan et. al., editors, Quarterman Publications (1899 reprint), 1980, page 79.

2. *The Revenue Stamps of the United States*, Christopher West, Castenholz and Sons, 1979, page 58.

a sewing machine at all, as well. This article will attempt to explain who made them and how they were made.

First, let's see what a sewing machine from 1873 looked like.

The first sewing machine in the United States was patented by John Greenough in 1842.³ The machine became divided into two broad types: one model was designed for home use by a single person, while larger and faster models were designed for industrial use.



Figure 2. Home-use sewing machine

The home use model (Figure 2) was powered by a foot pedal.⁴ One press of the pedal resulted in one cycle of the up and down motion of the needle. Continuously pressing the pedal was necessary for effective use.

Note that the throat of the upper frame of the sewing machine was not that "deep." Also note the small guide rail to align the sewed fabric; the straight stitching at this time was done mostly by sight alone.

In the 1870s, U.S. postage stamps, envelopes, and postal cards were sent from the printer to the Postage Stamp Agency, the Stamped Envelope Agency, and the Postal Card Agency. These agencies in turn fulfilled individual orders from post offices across the country. A large post office might request hundreds of dollars in stamps, made up of many complete panes. But smaller post offices might place an order for just a handful of stamps, as illustrated by the transmission slip shown in Figure 3 for a whopping nine dollars worth of stamps sent to a fourth-class post office. These parcels of stamps were sent in special envelopes, which were sealed with the Scott-listed OXF1 to OXF17 labels.

Similarly, U.S. revenue stamps were sent from the printers to the U.S. Internal Revenue Office, or its stamp agents, who then distributed the requested stamps as needed. The point is that in

both cases, the products produced by the stamp printers were sent to distributors first, before they were even seen by the end user.

So, the scenario as proposed by the description "privately produced" is something like this:

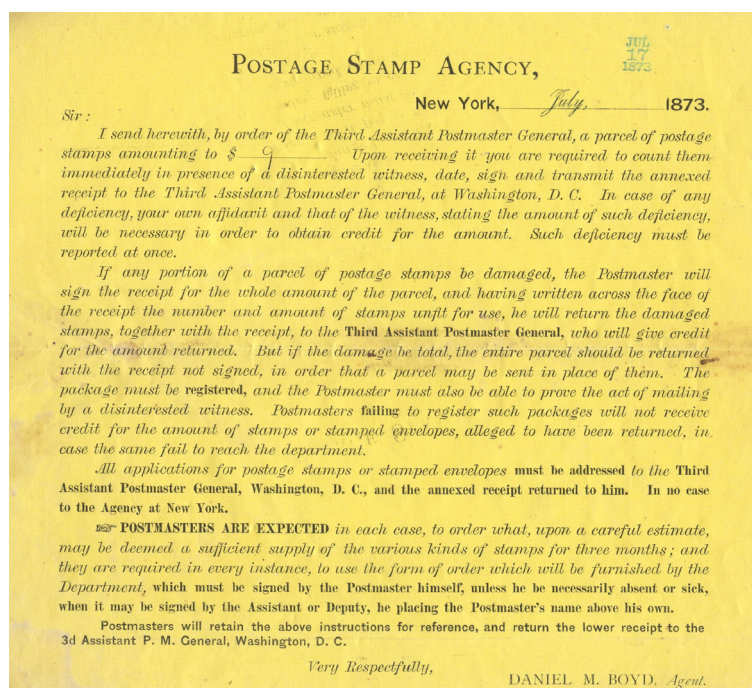
The Joseph R. Carpenter firm in Philadelphia unintentionally released an unknown quantity of at least four different denominations of their revenue stamps that were imperforate, sometime around 1871. The stamps were eventually received by one or more agents. These agents either took these sheets out to someone that had a sewing machine and then sold them, or they sold them as-is to a customer. This customer then took his newly-purchased sheets to someone that had a sewing machine.

This sequence of events is improbable, if not absurd, for the following reasons.

I. Previous Experience

Just about a decade earlier, all distributors and users of revenue stamps had gone through the daily annoyance of having to cut out the stamps they needed with knives, scissors, or even the edge of a desk. They were supposed to be perforated, and the earliest deliveries were, but printers Butler and Carpenter had severe production problems with their perforating machines. A little more than a month after deliveries began, they were ordered to release the stamps, either partially perforated, or not perforated at all. Also, it was during the Civil War, and there were shortages of all kinds, including machine parts.

Figure 3. Postage Stamp Agency instructions accompanying stamp shipment



3. Source: en.wikipedia.org/wiki/Sewing_machine.

4. It was not until 1905 that electrically powered machines were in wide use.

But it was not that big a deal for a clerk to keep a pair of scissors next to his handstamp and rubber ink pad, or his quill and bottle of ink. It no doubt became a boring routine for them to see fully perforated sheets, partially perforated sheets in one direction or the other, and imperforate sheets. Heck, it seems as though no one thought twice about selling or using stamps that had the center medallion inverted, or were printed on both sides, or had dramatic double impressions, or any number of other printing abnormalities. The users of these stamps had full time jobs, and trimming off a stamp or two from an imperforate sheet took only a moment. By 1871, they were all used to it. In short, they really didn't care. The document being prepared by them warranted much more attention than the stamps that were stuck onto it.

II. Accessibility to the Equipment

Initially, the first mechanical sewing machines were being used in garment factory production lines. It seems very unlikely that a stamp agent, or a typical clerk at a bank, or an insurance writer would even know who might have a nearby sewing machine. Then they thought that they could just walk in and have their few sheets of stamps run through this stranger's machines? For free?

III. Cost

The individuals that regularly used revenue stamps were busy. Their job was to keep all their paperwork proper and legal and dated correctly. Any time that they weren't at their desks doing their job, the company was probably losing money.

Even if there just happened to be a situation where a certain firm had access to a nearby sewing machine, did they just have someone take the sheets out of their safe, roll them up, and wander out with them? What if it was raining that day? These stamps cost either the agent or the user real money, at a time when a skilled machinist made a quarter an hour.⁵ What manager is going to let a busy clerk go out the door with a valuable mint sheet or two of ninety \$1.50 stamps? Or did the bank manager himself just stop what he was doing so he personally could get a few imperforate sheets perforated? Really?

IV. Difficulty of the Operation

Ok, somehow a clerk found an unused sewing machine, and was able to either a) quickly learn exactly how to operate this new-fangled device, seeing as how it surely was not something that he



Figure 4. 1871 and 1875 Proprietary 3¢ with sewing machine perforations, the latter Scott-unlisted

would have had any prior experience with, or b) convince the operator to unload the thread and fabric and stop their own production needs and start feeding his large sheets of paper through the device.

Imagine the time it would have taken to feed one column of stamps at a time through the machine. For the \$1.50 issue, there were 15 columns. Once the first column had been passed through, the roll of paper would need to be opened just a bit, for another column to go through the needle. It couldn't go in flat, as the throat wasn't deep enough. So he would have a roll on the left, and a gradually growing roll on the right. Then the sheet was eventually turned ninety degrees, and the rows were fed through, one at a time. Again, for the \$1.50 issue, another six passes were necessary. And all fed straight by eye alone.

These large sheets were gummed on the back before they were perforated. So any sweat from handling would cause a nightmare of stickiness. And since it would have been nearly impossible to hold two or more sheets in proper alignment, only one sheet at a time could be perforated. What if part or all of a sheet was damaged during this process? Maybe it could have been returned for replacement, but why would anyone take that risk unless they absolutely had to?

V. Diversity of Usage, and the Length of Time Between the Issues.

If only one or perhaps two different documentary stamps were known with sewing machine perforations, then it just might be conceivable that a certain shipment of imperforate stamps did arrive at a particular company without perforations, and that someone did take it upon themselves to run them through a sewing machine. But as shown in Figure 1 there are actually four different denominations with similar sewing machine perforations, the aforementioned 25¢,

5. Source: <http://outrunchange.com/2012/06/14/typical-wages-in-1860-through-1890>.



Figure 5. Second Issue 25¢ and 50¢ perforated 8

50¢ and \$1.50 and the Scott-unlisted Second Issue 5¢ (R107).⁶

Moreover, there are two separate Proprietary issues that are also known with sewing machine perforations. Figure 4 shows a certified example of an unlisted 1875 Proprietary 3¢ (RB13) with sewing machine perforations. RB3c and RB13 were issued about five years apart.

Documentary and proprietary stamps were used by completely different firms. It was illegal to use Proprieties on documents, and while there was no such prohibition against the use of documentaries on proprietary articles, the available evidence suggests that this was seldom done. By itself, this should prove that sewing machine perforated stamps were not produced privately: how could multiple firms produce the *identical product*, with generally well performed centering, and with no known varieties, such as pairs, imperforate between? Why are there no completely imperforate pairs (or larger) of any of these six examples?⁷ Surely at least a pair would still be around of at least one of them?

VI. The Workhorses

It is critical to realize which denominations have been found with these sewing machine perforations. Isn't it a coincidence that of the six

6. The R120a appears to be imperforate, only because the perforation holes are incompletely punched, and it was separated with scissors.

7. Note: RB1a exists imperforate.

Second Issue stamps with the lowest Scott catalog value (meaning that more of them were printed than any of the other denominations), four of them are shown here? The only low-catalog stamps without sewing machine perforations are the 2¢ and 10¢. It would not surprise the author if at some point one or both of these denominations, and maybe the \$1 as well, will be found with sewing machine perforations.

It makes perfect sense that varieties would exist for those stamps that were printed in very large quantities.

VII. The Other Perforation Anomaly

As further proof that the previous stamps were not perforated on a sewing machine, consider the two perforated 8 examples shown in Figure 5. The author is unable to locate any explanation in the philatelic literature that adequately discusses these issues. Both are very rarely encountered. A reasonable guess would be that a single sheet of each was made.

They have the same type of “perforations” as the sewing machine examples, which is to say that they are very inconsistent in spacing from one hole to the next, but they are very well placed in the margin of the stamp. Someone tried to do a good job. Other than the hole size, they are much more similar in appearance to the sewing machine varieties than the regular perforated 12 varieties.

It is the author's opinion that whatever and whoever created the “sewing machine” perforated varieties, also created the perforated 8 varieties. They used the same method, but used a somewhat different tool. They also used at least two different tools for the previous perforations, as they are known with and without “fuzzy” edges.

So, if a private entity didn't apply these so-called sewing machine perforations, who did, and what did they use?

The Only Logical Conclusion?

I propose that the Joseph R. Carpenter firm produced these perforation varieties. And they used one of these:



And one of these:



This is called a tracing wheel, also known as a pattern wheel, pounce wheel, or a dart wheel. They are used to transfer markings from patterns onto fabric with or without tracing paper. The wheel portion can be serrated or smooth, and they were made in a variety of different gauges, or differences in length between the wheel's teeth. Here are some more:



These are not, of course, the actual tools used by the Carpenter firm.⁸ They are however today readily available (and apparently have been for a long time), as both flimsy new models with plastic handles, and rugged antique models with wood or ivory handles (and some old rust). They're pretty cheap. Similar appearing tools were and are also used by those that stitch leather, hang wallpaper, and so on.

The specific reason why Carpenter used these tools instead of their perforation machines has been lost to time. But we can guess why.

These were simply used as their "Plan B." Having gone through the occasional breakdown of their expensive perforating machines just a few years before, they came up with an inexpensive alternative.

At some point, and for whatever reason, normal perforating couldn't be done one day. In order to complete their order, the printers stacked a few sheets of felt or something similar on a workbench, for a flexible base. They then neatly placed two or more sheets of imperforate stamps on top,

8. Surely the actual "smoking gun" tool has been long lost by now.

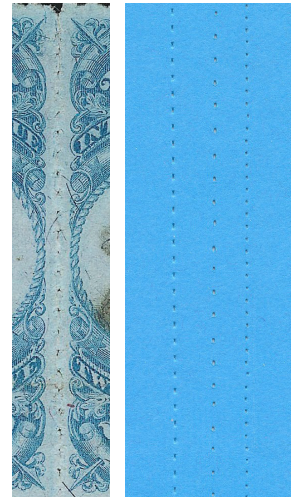
centered a long ruler between the stamp's designs, and quickly drew their tracing wheel against the ruler, neatly pin-perforating the entire column or row with one move. Total time to do this to several sheets at a time, maybe five minutes, less with more practice. And just like that, they had completed the daily order.

No one else would have any motivation to neatly perforate sheets of stamps at this period of time, other than the manufacturer. Why were these perforations called sewing machine perforations to begin with? More than likely, someone saw them and decided that is what they were, based entirely on what they looked like, without any investigation into other possibilities.

Shown at right are enlarged examples of the perforations from a pair of R112b (left) and from three of the previously shown tracing wheels run across some scrap paper (right). Do they look similar to you?

All of the previous discussion has not been meant to state that a sewing machine was *never* used for *any* postage or revenue stamp. What has been presented here though has hopefully allowed for some consideration of a far more likely scenario than has previously been thought.

The result of using this type of device should properly be called "pin-perforations," and not "sewing machine perforations."



Reviewers Respond!

[From John Bowman] I like the originality of the article — outside the box thinking with reasonable rationale. In addition, it is nice to see these rare perfs shown together. What about publishing it with perhaps a couple of opposing opinions? [Ed. note: Will do!]

[From Michael Morrissey] An interesting article, but the conclusion that Joseph R. Carpenter used this form of separation is "a bridge too far." These stamps were DELIVERED imperforate. We know that because they are well-known imperforate. It is just that most that were delivered imperforate were pin rouletted to make them more acceptable to the purchasers/users. Who would have done that? A large revenue stamp agent, of course! I am

not yet convinced of the R107 or the RB13 as being genuine. Many RB13's are very roughly perfed and could be altered slightly or otherwise mistaken for a pin roulette. How did the imperfs get out with a government agent on site? If an agent needed stamps today and NOT tomorrow! Examples could be a stock (25¢) or bond (50¢) issue. Most of the imperfs were used in Philadelphia and New York city. I suggest that an agent ordered the stamps and if they could not be perforated in order to meet his time requirements, he pin-rouletted them himself. This is a much more likely scenario than the Carpenter firm risking its reputation on such shoddy work. There is *no evidence* that Carpenter had anything to do with this situation other than issuing unfinished stamps to a huge agent as a matter of necessity and probably with the blessing of the on-site government revenue agent. Why the perf 8? Possibly another stamp agent in a similar situation using a different device. The idea that any of these stamps were delivered by Carpenter as finished products is a slander upon the name of a great printer and this claim should never be advanced except as an hypothesis until some proof is obtained!

[From David D'Alessandris] An interesting theory, but I have to agree with Michael Morrissey that the conclusion that the tracing wheel separation was done by Carpenter is speculative. The article spills a fair amount of ink setting-up a straw-man argument that the end user would not have had access to a sewing machine and would not have let a clerk take a sheet of stamps out of the office to have them perforated with a sewing machine. However, there is no discussion of why an end user (or stamp agent) could not have used a tracing wheel and a ruler—equipment that was readily available and would take “maybe five minutes.”

There is also no discussion of how the perf 8 stamps could have been produced with a tracing wheel. Could the perf 8 stamps have been produced with the stroke perforator that Bob Mustacich wrote about in the 4Q2015 *TAR*?

Has anyone reviewed the Butler and Carpenter Letter Books? Is there any information in the letter books about shipments of imperforate stamps or separation with a tracing wheel?

Finally, regarding the suggestion that “By 1871, they were all used to” cutting apart imperforate stamps, the first deliveries were fully perforated and B&C began shipping partially finished stamps due to shortages shortly thereafter, but the imperfs and part perfs were used-up long before 1871.

[From Michael Rosenberg] I have to believe that it was done in the local IRS office, or facility of the end user. The examples existant are for the most part too consistent to be individually done with sewing machines. I think most large users would have had a way to deal with imperforate sheets, if that was what was available when they aquired their stamps. I think the printers would not have shipped imperfs out without specific instructions to do so, even though they would save money by not having to deal with separations.

[From Dan Harding] Regarding “The examples existant are for the most part too consistent to be individually done with sewing machines”, in my opinion there are two different “types” (for lack of a better word) of perfs categorized as sewing machine perfs, the type most frequently found having soft “fluffy” perforations, the other being the “pin-perf” type seen in the R120 in the article. I have also seen this latter type of sewing machine perf on several RB3 examples, and on a single example of R112 [shown here].

I am assuming the distinct types to be a result of two completely different methods of perforation.

Every example of R19 and R115, and all but one of R112 that I have seen with sewing machine perfs has had the first “fluffy” style.

I have only seen the pin-perf style on R120 and RB3 and this single example of R112.

[From Michael Mahler] Dan’s mention of R19 deserves to be amplified. Here is the example from his excellent website (<http://www.revenue-collector.com/>). The cancel date is December 9, 1862, soon after the first delivery of this stamp on November 21, 1862, predating by nearly a decade the sewing machine perforation of the Second Issues. Could it have been done by Butler and Carpenter? If so, it can only have been part of a very small and quickly abandoned experiment. It seems more likely to have been done by an end user.

[From Bart Rosenberg] The tracing wheel at the revenue office does seem a realistic possibility. The perf 8 might easily have been done by a manufacturer used to punching holes in a thick, dense object such as leather. The manufacturer might have bought the imperf stamps from the



revenue office on a busy day and told them they would take care of it themselves. A professional used to using an industrial hole punching or sewing machine for such a heavy duty product could perforate the sheets in a matter of moments.

[From Michael Morrissey] The most logical explanation is that a large and influential revenue stamp agency or agencies needed lots of stamps

NOW!!! Perhaps a client was initiating a stock issue tomorrow (25¢) or a large issuance of \$1,000 bonds (50¢). The agency would have been happy to have the stamps, perforated or not, in order to meet a customer's need. Overages may have gone to other small users and some may have gone out imperforate as they are well known. Not surprisingly, most were used in Philadelphia and New York. The panic of 1873 was caused by railroad

over-expansion. It could have been just before the crash that stamps were in the greatest need, with the printers only able to perforate them with more notice by the demanding agency than was possible to meet. In that case the agency would certainly have wired "express X no. of sheets at once, finished or unfinished!" I am attaching the advertisement of a Philadelphia agency from the *Philadelphia Inquirer* of February 2, 1871.

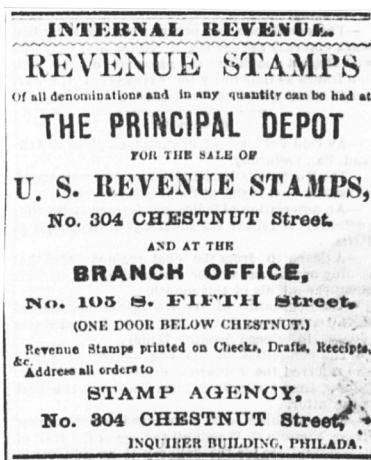


Figure 6.
Philadelphia
stock certificate
bearing 25¢
with sewing
machine
perforations,
affixed June 3,
1872



[Ed. note. We know (Mahler, 1993) there was a government agent situated nearby the printer's establishment in Philadelphia, to whom all stamp deliveries were made, and who in turn sent stamp orders to other agents governmental and private, and to individual users. Initially this was William Kemble, succeeded about April 1, 1864, by Isaac Pugh, who held the post for more than a decade, until Joseph Carpenter lost the stamp printing contract to the National Bank Note Co. of New York in 1875. Stamps were transmitted at first by registered mail, and beginning in May 1866 by Adams Express Co. The ad shown here is evidently for Pugh's agency, through which virtually all orders were funnelled.

[From Michael Mahler] A small but useful amount of data, based on seven documents and three pieces and summarized on the facing page, bears on the question of where and when the Second Issue stamps under discussion were used. Four tentative conclusions emerge:

1. The 25¢ and 50¢ imperforates were used in Philadelphia circa March-April 1872.
2. The 25¢ perforated 8 was used in Philadelphia circa June 1872 (Figure 6).
3. The 25¢ sewing machine perf was used in New York circa July-September 1872 (Figure 7).
4. The fact that the three examples of the 25¢ sewing machine perf were used by three different parties implies that the perforation was done at a more central point.

Author's Rejoinder

Thank you to everyone that read my article and responded with their comments. I have a few summary comments to make.

I did not mean to imply that ALL imperforate second issue revenue stamps were "sewing machine perforated." There is no question that some got through, and singles of these are known on document.

I have not read that anyone is questioning one of the two points of the article, specifically were these perforations done on a

Second Issue 25¢ imperforate (R112var)				
Stamp(s)	Document	Date	Location	Description
Second 25¢ imperforate	Stock certificate	3/14/1872	Philadelphia	Woodruff Sleeping and Parlor Coach Co., #21; large piece only
Second 25¢ imperforate	Stock certificate	3/26/1872	Philadelphia	Woodruff Sleeping and Parlor Coach Co., #27
Second 25¢ imperforate	Stock certificate	4/20/1872	Philadelphia	Southwestern Market Co., #352; uncanceled but from a find described by Ward (1926, 1963); ex-Turner
Second Issue 50¢ imperforate (R115var)				
Second 50¢ imperforate, Third \$5, \$10	Deed	4/10/1872	Philadelphia	Huge "vellum" deed
Second 50¢ imperforate (x2)	Deed/mortgage	4/10/1872	Philadelphia	Piece only, ex-Tolman
Second Issue 25¢ perforated 8 (R112c)				
Second 25¢ perforated 8	Stock certificate	6/1/1872	Philadelphia	The Philadelphia Trust Safe Deposit and Insurance Co., #175; cancel "6/3/72"; ex-Isleham
Second 25¢ perforated 8	Stock certificate	6/1/1872	Philadelphia	The Philadelphia Trust Safe Deposit and Insurance Co., #184; cancel "6/19/72"; ex-Tolman
Second Issue 25¢ sewing machine perforation (R112b)				
Second 25¢ sewing machine	Stock certificate	7/8/1872	New York	Chicago, Burlington and Quincy Railroad Co., #4,765
Second 25¢ sewing machine	Stock certificate	9/30/1872	New York	New Jersey Midland Railroad Co., #484; last day of stamp taxes! Location not stated but HQ at 25 Nassau St., N.Y.
Second 25¢ sewing machine			New York	Piece only, embossed cancel "The Port Wardens of the Port of New York"

sewing machine or made with some other device. There seems to be a consensus that a sewing machine was not in fact used at all, and if so that is my primary point. If at some point the "sewing machine perforation" terminology in the Scott catalogs is replaced with "pin perforation" then my article was worthwhile.

I would like to see the three Scott-unlisted varieties that are illustrated in the article added to the Scott Specialized catalog, but this is not critical. It is important though that they are accepted as genuine, and possibly unique, varieties.

The main disagreement with the article is the who, and not the what. I proposed that the manufacturer pin-perforated the sheets, while others are confident that either the end user did it, or an internal revenue stamp agent did it.

I don't know which specific tool was used to make sharp or fuzzy pin perforations, or to make the perforated 8 varieties. More than likely, no one will ever know. This all happened a hundred and fifty years ago. But I've played a lot of games of

Clue, and I can speculate a reasonable conclusion based on evidence at hand as well as anyone.

If all known copies of "sewing machine perforation" stamps were used by one firm, then yes that firm clearly bought a whole bunch of imperf sheets and pin perforated them, themselves. But this isn't the case. These varieties are known across a range of denominations, across a spread of many years, and they were applied to both

Figure 7. New York stock certificate bearing 25¢ perforated 8, affixed July 8, 1872



documentary and proprietary stamps. The pin perforations are, for the most part, well applied and straight. Someone, whoever it was, really tried to do a good job. Again, this was in an era where imperforate stamps were NOT a novelty. An imperforate sheet of stamps was no more or less interesting to anyone than a perforated sheet. EXCEPT for the manufacturer. I can't stress this highly enough. ONLY the manufacturer would care in the slightest.

If we eliminate a sewing machine from the list of possibilities of creation, and agree that a tracing wheel of some kind was used, and then we eliminate the end user as the one that pin-perforated these sheets, we are left with either an IRS agent running his tracing tool against some sheets, versus the Carpenter firm doing the perforating. In my opinion, to decide on which entity is the likely culprit, just open your *Scott's Specialized Catalogue* to the revenue section. Do you see a substantial number of manufacturing and

production issues, such as double transfers, double impressions, printed on both sides, pairs imperf. between, foreign entries, cracked plates, inverted centers, vermilion and ultramarine color varieties, etc.? And not just an occasional issue here and there, but just about every listed revenue stamp has some variety or another?

I fail to see how adding and including "pin perforations" as just yet another one of Carpenter's numerous production issues is impossible to consider. This makes much more sense than a rogue revenue stamp agent somewhere, somehow, taking it upon himself to drop everything one day and adding his custom perforations to a few sheets of imperforate stamps, when he had a pair of scissors or a sharp knife right next to him.

References

Mahler, Michael. 1993. How Were U.S. Civil War Documentary and Proprietary Revenues Made Available to the Public? *The American Revenuer*

Another R189



Courtesy of J. W. Palmer and Frank Sente, here is a fifth document bearing the 1900 \$50 dull olive gray, to add to the four tabulated in the Third Quarter 2015 *TAR*. 1694 shares of par value \$100, tax 5¢ per \$100, thus \$84.70, paid by \$50, \$10 (x3) \$2 (x2), 50¢, 10¢ pair.

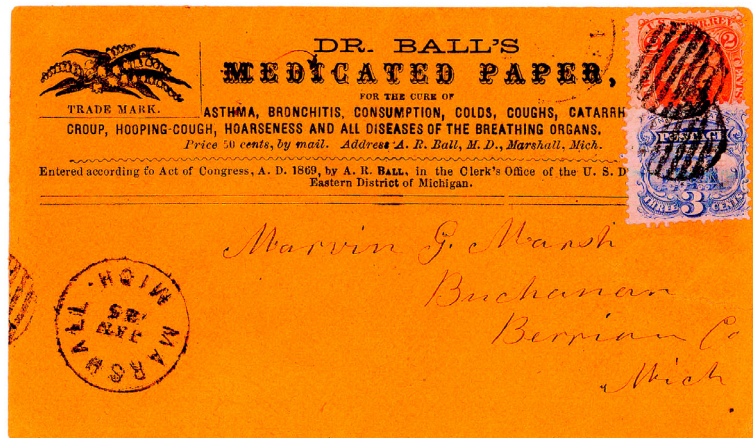
Revenue-Postage Combinations of the Civil War Era

By Michael Mahler

Proprietary-Postage Combination

The eye-catching item shown in Figure 1 was profiled in the November 2015 *Chronicle of the U.S. Classic Postal Issues* (Harter, 2015). What appears at first glance to be an attempted use of a 2¢ USIR to pay postage, corrected by affixing an 1869 3¢ Locomotive, is in fact something much more interesting and rare. The envelope advertised “Dr. Ball’s Medicated Paper,” claimed to cure “asthma, bronchitis, consumption, colds, coughs, catarrh, croup, hooping-cough [sic], hoarseness and all diseases of the breathing organs,” produced by Dr. A. D. Ball of Marshall, Michigan. This was no ordinary advertising cover, though. Two all-important pieces of evidence are included in the wording “Price 50 cents, by mail.” The envelope thus not only touted the product, it almost certainly enclosed it for transmission to a buyer, in this case a man in Buchanan, Michigan. By this interpretation the 2¢ USIR was affixed to pay, not postage, but the tax on proprietary medicines priced above 25¢ up to 50¢. In this sense the envelope is essentially similar to the revenue-stamped medicine packets and boxes familiar to fiscal philatelists; it stands apart from them in that in this case, the medicinal product was sent through the mail.

Two fine points are worth mentioning. Harter speculated that Dr. Ball might have been concerned that he was using a documentary stamp rather than a Proprietary, and so deliberately covered up its “U.S. Inter. Rev.” label with the 3¢ postage stamp. If so, this concern would have been misguided. The Act of December 25, 1862, which forbade use of Proprietary, Playing Cards and private-die stamps



on documents, was conspicuously silent—and therefore permissive—on the use of documentary stamps on Schedule C articles.¹

Partly obscured by the grid cancel on the revenue stamp is a manuscript initial “B,” presumably written by Dr. Ball. This failed to satisfy the letter of the law, which required the user to “write thereupon the initials of his name and the date...” to thwart reuse. In this case, though, failure to fully initial and date the stamp can perhaps be forgiven, since it could be anticipated that the postal cancel would render reuse highly conspicuous.

It is astounding that so many decades elapsed before this extraordinary piece was recognized, explained and accorded the elite status it deserves.

Certificate-Postage Combination

Figure 2 shows a legal size cover used to mail court papers, with Commissioner’s notation “Sealed up and Deposited in the Post Office at

Figure 1.
1870 envelope transmitting “Dr. Ball’s Medicated Papers” with tax on proprietary medicines paid by 2¢ USIR, mailed to buyer with postage 1869 3¢



Figure 2.
Cover used to mail court papers, with Commissioner’s notation stamped at general Certificate 5¢ rate, mailed to Clerk of Court at Conandaigua, New York, franked with postage 1861 3¢ pair



Figure 3. Policy of Farmers' Insurance Co. showing both Insurance 25¢ tax and 3¢ postage

Knoxville Illinois this 4th day of December, AD 1866," stamped by him as a certified statement at the general Certificate 5¢ rate, with 5¢ Foreign Exchange. The cover was then mailed to the Clerk of Court at Conandaigua, New York franked with postage 1861 3¢ pair tied by "KNOXVILLE ILL." duplex. No other Certificate-Postage combinations have been recorded to date.

Insurance-Postage Combinations

Figure 3 shows a five-year policy of the Farmers' Insurance Co. of Freeport, Illinois, headed by a

stunning red woodcut vignette depicting a farmhouse fire, made May 1, 1865, for \$400 on a dwelling and furniture in Manito, Illinois, with Insurance tax paid by a 25¢ Warehouse Receipt, tied by "FARMERS INS. Co. FREEPORT ILL" datestamp. It was then folded up and mailed to the insured, franked with postage 1861 3¢ tied by "FREEPORT ILL" blue duplex. The insured's name, town and state were sufficient for delivery.

The 25¢ tax payment here raises a question. It was based on the premium: 10¢ for amounts up to \$10, 25¢ for over \$10 to \$50, and 50¢ for over \$50. The policy acknowledges payment of a \$4 cash premium plus a \$12 premium note. It seems fair to conclude that the annual premium was less than \$10. Should the tax thus have been only 10¢? Evidently not. The tax table specifies only "the premium, or assessment," not the annual premium. In this case the 25¢ tax was presumably based on the total premium payment of \$16.

Figure 4 shows two five-year policies of the Ohio Farmers' Insurance Co., of LeRoy, Ohio, one made August 4, 1863, for \$300 on a dwelling in Willoughby, Lake County, Ohio, cash premium \$4.80, the Insurance 10¢ rate paid by 10¢ Inland Exchange. The other, made November 5, 1863, for \$1,500 on a dwelling (\$800), furniture (\$200), barn (\$100), and hay and grain (\$400) in Warren, Jefferson County, Ohio, cash premium \$12, had the 25¢ rate paid by 25¢ Insurance. Both stamps were placed on the top quarter panel of the back of the policy, canceled by "O. F. INS. CO." oval datestamp. The policies were then folded up and mailed, with postage 1861 3¢ placed on the address panel, canceled by penstrokes with "LEROY O." circular postal datestamp alongside. Happily for latter-day philatelic exhibitors, now the

stamps are on the same side of the policy, even if the postal cancels leave a little to be desired.

Figure 5 shows a three-year policy of the Hartford County Mutual Fire Insurance Co. made December 30, 1863, on a dwelling and furniture in Simsbury, Connecticut, with Insurance tax paid on the outside by a 10¢ Certificate. It was then mailed to the policyholder, franked with postage 1861 3¢. Both stamps are now tied by datestamps: "H. Co. M. F. Ins. Co. HARTFORD JAN 5 1864" on the revenue, and "HARTFORD CON JAN 7 1864" on the postage.



Figure 4. Ohio Farmers' Insurance Co. policies showing Insurance 10¢ and 25¢ taxes plus 3¢ postage



Figure 5. Hartford County Mutual Fire Insurance Co. policy showing Insurance 10¢ tax plus 3¢ postage

References

Harter, Paul S. Postage and Revenue Stamps used Together for Different Purposes. *Chronicle of the U.S. Classic Postal Issues* 67 (4th Quarter), 365–6.

Endnotes

1. (Schedule C taxed proprietary medicines, perfumes and cosmetics, matches, playing cards, photographs and preserved foods.) Nevertheless two emissions of the Office of Internal Revenue discouraged this practice. A letter from Deputy Commissioner E. A. Rollins to stamp printers Butler and Carpenter dated July 12, 1864, quoted in the *Boston Revenue Book*, states, "... upon a reconsideration ... although there is no prohibition in the excise law, of the use of general stamps for articles enumerated in Schedule C, it has been deemed expedient that the two schedules should be kept entirely separate. ... The instruction

heretofore given to you, that general stamps might be used for Playing Cards, Matches, etc., is therefore rescinded; ..." It is worth noting that this did not affect stamp usage per se, only the composition of stamp shipments to sellers of Schedule C items. The Office also published a series of "... Stamp Duties, Schedules B and C ...," presumably intended primarily for the use of its own employees, but also for judicious circulation to those with frequent occasion to use stamps, such as notaries, justices of the peace, court clerks, registrars, conveyancers, and to editors. Series 2, No. 10, dated October 24, 1866, states "Stamps appropriated to denote the duty charged upon articles named in Schedule C ... cannot be used for any other purpose; *nor can stamps appropriated to denote the duty upon instruments be used in payment of duties enumerated in this Schedule* (italics mine). Nevertheless, the letter of the law was never changed, and the use of documentary stamps on Schedule C items, especially photographs, is not uncommon.

Caleb H. Needles and His Compound Camphor Troches

by Michael J. Morrissey



Figure 1.
Mysterious "C.
H. NEEDLES
C.C.T." cancel
on 2¢ blue
Proprietary

Figure 3.
Caleb Needles'
introduction
to his 1866
U.S. Patent
for Compound
Camphor
Troches

The stamp shown in Figure 1 is a First Issue 2¢ blue Proprietary, Scott R13c. While a relatively common stamp in general, this specific stamp is anything but common as it bears the press-printed precancel of C. H. Needles in three horizontal lines of serif lettering. Just who was C. H. Needles and what did C.C.T. stand for? The purpose of this article is to answer those questions.

Caleb H. Needles was born in 1820 or 1821 in Philadelphia, the eldest son to Edward and Mary Hathaway Needles. He was born into the Society of Friends (Quaker) faith and his parents were ardent abolitionists, as was Caleb himself. Caleb attended Haverford College in Haverford, Pa., located just outside of Philadelphia. He then graduated from the Philadelphia College of Pharmacy in 1841. Shortly thereafter he entered his father's retail drug business at 12th and Race streets in the city. The address is also sometimes expressed as 1200 Race St. He eventually assumed control of the business upon his father's retirement.

Needles was a very prominent citizen of Philadelphia. He was a founding member of the Union League, an organization that was originally formed to support the Union cause in the Civil

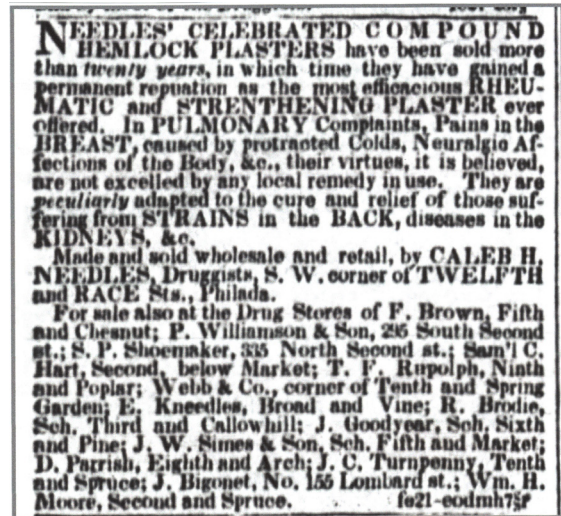


Figure 2. Ad for Needles' Celebrated Compound Hemlock Plasters in 1850 issue of the Philadelphia Public Ledger

War and the policies of President Lincoln. He was a supervisory member of the committee for recruiting colored troops to fight in the Union cause and was the first president of the Philadelphia Retail Druggists' Association. He was also a member of the municipal Reform Committee, and during the war was a member of the Sanitary Commission. In September 1862 he was very briefly a Private in the 21st Pennsylvania Militia. He died October 10, 1884, aged 64 years.

During his many years in the retail drug trade Needles developed several patent medicines. One being Needles' Celebrated Compound Hemlock Plasters. An 1850 advertisement taken from the Philadelphia *Public Ledger* newspaper and extolling the virtues of the plasters is illustrated in Figure 2. Another Needles proprietary was the Compound Camphor Troches, for which Needles actually obtained Patent No. 60,039 on November 27, 1866, as evidenced by the document shown in Figure 3. A troche is a mostly archaic term for a medicinal hard candy akin to a cough drop or lozenge. The troches were claimed to cure cholera, cholera morbus, dysentery, diarrhea, etc. They contained opium, which is known to cause constipation in a person in normal health, which drug probably alleviated the symptoms of the disease if not actually curing the disease itself. While the patent was not issued until November 1866, the troches were undoubtedly developed and marketed by Needles prior to that date as evidenced by the ad shown in Figure 4 from the Philadelphia *Illustrated New Age* newspaper of

UNITED STATES PATENT OFFICE.

CALEB H. NEEDLES, OF PHILADELPHIA, PENNSYLVANIA.

IMPROVED MEDICATED TROCHES.

Specification forming part of Letters Patent No. 60,039, dated November 27, 1866.

To all whom it may concern:

Be it known that I, CALEB H. NEEDLES of Philadelphia, in the county of Philadelphia, State of Pennsylvania, have invented a Medicated Troche, composed of the following ingredients, and made as per annexed formula.

I combine camphor, catechu, Jamaica ginger, African capsicum, powdered opium, and the essential oils of peppermint and cloves. Work the same with a mullage of tragacanth into consistence suitable to be rolled in sheets, cutting these by means of molds into the troches.

This combination is adapted to the relief and cure of cholera, cholera morbus, diarrhea, and dysenteric affections of the bowels.

I have attained success in combining remedies known as diffusive stimulants, sedatives, astringents, and stomachics, original in the combination, and not in use in this or any other form till made and offered by me as "Compound Camphor Troches."

I have expended much time and effort in perfecting these troches. The title or name given to same is "Needles' Compound Camphor Troches."

The process of manufacture (without heat) secures the essential properties of each drug, with no change in the characteristics of said ingredients.

I do not confine myself to the above proportions, but I regard them as the best; nor is it necessary that every individual article should be used, for the materia medica will supply equivalents for some of them, as is well known to the medical faculty; nor is it necessary that the several active principles embraced in my preparation be added in the form given above, as it is the medical properties rather than the peculiar drugs which, in combination, constitute my invention.

Having thus described my invention, what I claim, and desire to secure by Letters Patent, is—

The compound camphor troches, prepared substantially as herein set forth and described.

CALEB H. NEEDLES.

Witnesses:

JOSEPH W. WEBB,
CARL FRÜH.

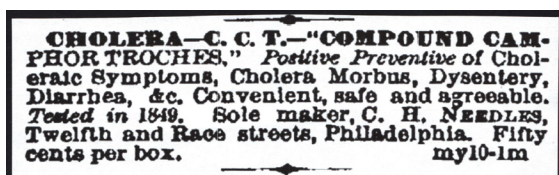


Figure 4. Ad for Needles' Compound Camphor Troches in 1866 issue of Philadelphia Illustrated New Age

Friday, May 25, 1866. Note that the abbreviation "C.C.T." is used in the ad just as in the precancel on the stamp in Figure 1.

Needles advertised his troches extensively in newspapers across the country. The advertisement shown here in Figure 5 appeared in the Boston Evening Transcript on Thursday, June 21, 1866. Note that the box of troches sold for 50¢. Patent

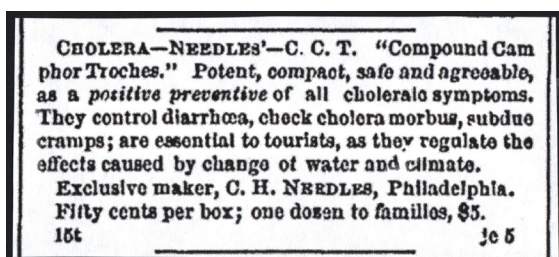


Figure 5. 1866 ad in Boston Evening Transcript with a growing list of ailments cured. "Fifty cents per box."

medicines selling for from 26¢ to 50¢ were taxed at 2¢ for the entire life of the Civil War stamp taxes, 1862–1883. This explains Needles' use of the 2¢ denomination Proprietary stamp on his troches.

While most if not all patent medicine manufacturers of the day marketed their nostrums through the use of agents, Needles chose not to. See the ad in Figure 6. He instead marketed his troches by wholesaling them to retailers and retailing

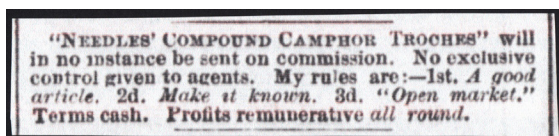


Figure 6. "[Not] sent on commission. No exclusive control given to agents."

them directly to consumers outside the immediate Philadelphia by the use of the U.S. Mails. See the advertisement in Figure 7, which appeared in the Indiana Progress paper in Indiana, Pa. on July 13, 1871. Note that one could obtain a box of the troches by mail for 50¢. Also note that by this time there is no mention of it being a "cure" for cholera, but only for relief of the symptoms thereof. Other claims seem to have been toned down to apply to

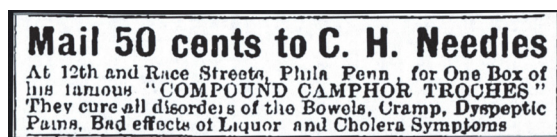


Figure 7. 1871 advertisement for sale via U.S. mail; the list of maladies combatted now decidedly more modest

more reasonably managed maladies such as cramps, dyspeptic pains, and alcohol-induced intestinal ailments.

Like all other patent medicine proprietors, Needles used marketing tools common to the day. One was the use of tokens giving the name of the firm and its location. An example of a token used by Needles is shown in Figure 8. The central feature is a goblet. The reverse side states that it is good in exchange for one glass of soda water. The use of such tokens, especially those that had some small exchange value keeping them in circulation, kept the name before the public and was undoubtedly deemed to be worth more in advertising value than the nominal cost incurred in producing the tokens.

Many of the Needles' newspaper ads featured an eye-catching (also eye-shaped) design as the one found in Figure 9. It appeared in the July 21, 1866, edition of Leslie's Illustrated Newspaper of New York, and was probably a variation on the firm's corner card used on its business envelopes, a lovely example of which is illustrated in Figure 10.

While Needles marketed his troches into the 1870's and possibly even later, he never availed himself of the private die option, choosing instead to employ the regular government die stamp featuring the famed portrait of Washington after Gilbert Stuart appropriately cancelled with his name, location and his nostrum's initials. No Needles

Figure 8. Needles advertising token



Figure 9. Needles' customary distinctive ad

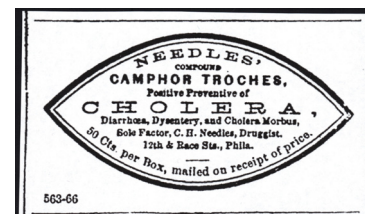
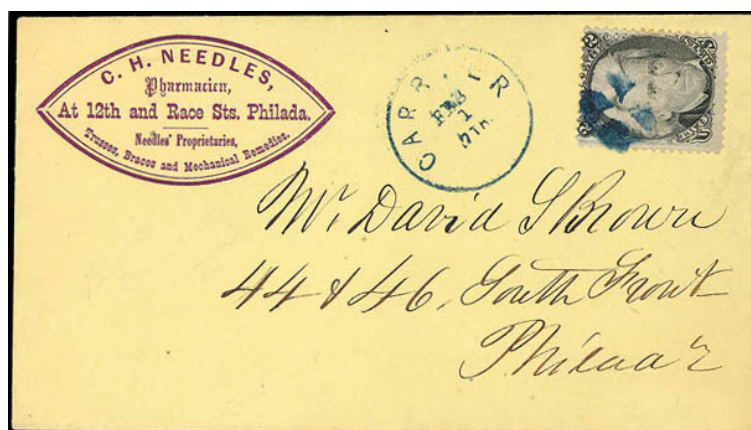


Figure 10. Cover with Needles corner card



cancel has been identified on an 1871 (Second) Proprietary Issue stamp. Judging from the rarity of the Needles precancel illustrated herein, there being only two recorded examples, it was most probably in use for a very short time.

(Those wishing to communicate with the author about this or other proprietary stamp or cancel matters may contact him by email at <mmorrissey@columbus.rr.com>.)

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21st Annual Report of the Alumni Association of the Philadelphia College of Pharmacy for the year 1884-1885, Burke & Young, printers, (Phila.), 1885.

Boston Evening Transcript (Boston) newspaper, Thursday, June 21, 1866.

The Evening Telegraph (Phila.) newspaper, June 2, 1866, 4th edition, p.5.

Illustrated New Age (Phila.) newspaper, Friday, May 25, 1866.

The Indiana Progress (Indiana, Pa.) newspaper, Thursday, July 13, 1871.

Leslie's Illustrated Newspaper (N.Y.), July 21, 1866.

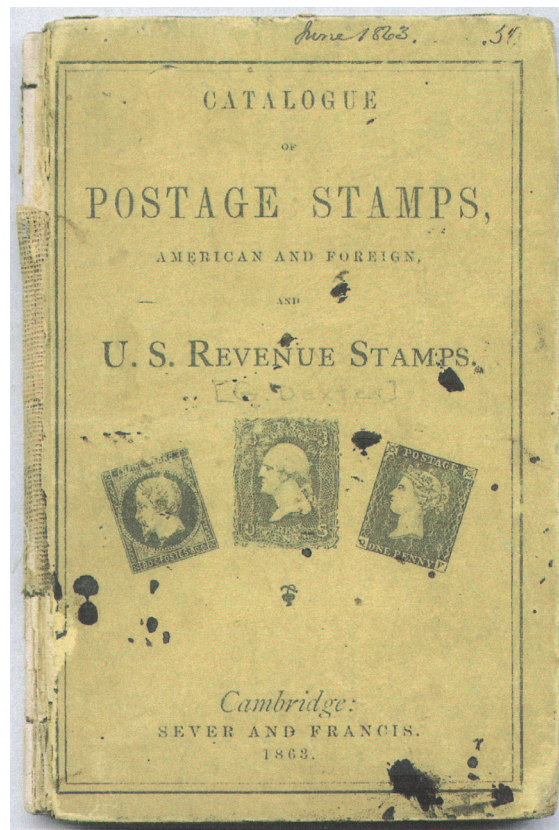
Public Ledger (Phila.) newspaper, Thursday, February 21, 1850.

Schuyler Rumsey, Catalog of Sale No. 55, March 10-12, 2014, Lot No. 1577.

Tokencatalog.com

U.S. Patent Office, Patent No. 60,039, issued November 27, 1866.

1863 Sever and Francis Pioneer Revenue Catalog: Take a Second Look



The catalog published by Sever and Francis of Cambridge, Massachusetts, circa 1863, and attributed to George Dexter, is justly lauded as the first to include U.S. revenues. On inspection, though, it becomes apparent that a number of errors crept into the listings. How many can you spot and explain? There are at least twelve, given on page 24. Thanks to philatelic literature maven Larry Parks for access to this rare catalog.

NAME (U. S. Internal Revenue). Head of Washington (after Stuart's picture) in oval frame. Purpose and value designated. Col. imp. on white paper. Rectangular.			
Agreement,	5 cents.	Express,	1 cent,
Bank Check,	2 cents.		2 cents,
Bill of Lading,	10 cents.		5 "
Bill of Sale of Vessel,	25 cents.		3 cents,
	50 "		5 "
Bond,	25 cents.	Foreign Bill of Exchange,	10 "
	50 "		15 "
Certificate,	2 cents.		20 "
	5 "		30 "
	10 "		50 "
	25 "		70 "
Charter-Party,	1 dollar.		1 dollar,
	3 "		1 doll. 30 cts.
	5 "		1 " 60 "
	10 "		1 " 90 "
Contract,	10 cents,		1 cent,
	50 cents.	Inland Exchange,	2 cents,
	1 dollar.		3 "
Conveyance,	2 "		4 "
	5 "		5 "
	10 "		6 "
	20 "		10 "
	50 "		15 "
Entry of Goods,	25 cents.		20 "
	50 "		30 "
	1 dollar.		40 "
			60 "
			1 dollar.
			1 doll. 50 cts.
			2 " 50 "
			3 " 50 "
		Insurance,	10 cents,
			25 "

Lease,	50 cents,	Power of Att'y,	10 cents.
	1 dollar,		25 "
Life Insurance,	25 cents.		1 dollar.
	50 "	Probate of Will,	50 cents.
Lottery Ticket,	50 cents.		1 dollar.
Manifest,	1 dollar.		2 dollars.
	3 "		5 "
	5 "		10 "
Mortgage,	50 cents.	Protest,	25 cents.
	1 dollar.		
	2 dollars.	Proprietary Medicines,	1 cent.
	5 "		2 cents.
	10 "		3 "
	15 "		4 "
	25 "	Telegram,	1 cent.
Passage Ticket,	50 cents.		3 cents.
	1 dollar.	Warehouse Receipt,	25 cents.
Playing Cards,	1 cent.		
	2 cents.	Writ,	50 cents.
	3 "		
	4 "		
	5 "		

NOTE. — Each stamp differs somewhat in design, size, and color. Stamps of any kind, except Proprietary, may be used indiscriminately on any other instrument than that designated by the stamp. The Express stamps and the 10-cent Certificate are no longer in use.

Brokers' Note and Share Transfer Stamps in India: Taxing Security Transactions with a Focus on the Stamps of Edward VII

By Steven Zwillinger



8 Annas



12 Annas



1 Rupee

Figure 1.
Edward VII
Brokers' Note
stamps

The costs for the British Government to administer the civil government in India were high. The funds were not provided by Great Britain; they were raised in India. To raise the funds needed, taxes were assessed for all types of financial transactions. Many of these taxes were paid by revenue stamps.

This note will look at securities transactions. Specific revenue stamp issues were in two areas: Brokers' Note and Stock Transfer.

Brokers' Note

The term "Broker's Note" referred to the note sent from a broker or his agent to a person buying or selling marketable securities. The note served as a legal record for the transaction. The broker's note does not refer

We have this day Sold to you for			We have this day Bought from you for		
Quantity.	Kind of Security.	Rate.	Quantity.	Kind of Security.	Rate.
			✓ Ten	Tata Defts.	1435-0
			✓ Thirty	Associated Cements	113-0

ENTERED
NB
10. 3457

This Contract is made subject to the Rules and Regulations of the Native Share and Stock Brokers' Association.

Yours faithfully,
D. Nanjee
Members of the Native Share & Stock Brokers' Association.

Figure 3. 1938
broker's note
still using 1914
Edward VII
stamps from
surplus stock

to a note sent to a broker. Brokers' Note stamps were issued to pay the tax due on this communication between a broker and his customer documenting the securities transaction. They were issued in four denominations: 4, 8 and 12 annas and 1 rupee (see Figure 1).

The stamps, with "BROKERS' NOTE" provisionally overprinted on Special Adhesive stamps (a general purpose revenue issue) with two bars obliterating the words "Special Adhesive," were introduced in 1914. This was four years the death of Edward VII, who had ruled 1902–1910. However, it was usual for stocks of old stamps to be used before new ones were printed and it was usual for surplus stocks of one kind of stamp to be overprinted to serve a new purpose if needed.

Additional supplies of Brokers' Note stamps were prepared by overprinting Special Adhesive stamps of George V in 1914 but the Edwardian overprints were in use for a long time. Figure 2 shows the front and back of a March 1927 broker's note for the purchase of 500,000 rupees six percent bonds with 6 rupees and 4 annas tax.

Figure 3 shows a broker's note from November 1938 for the purchase of 40 shares of two different companies with a total price of 1,548 rupees, with 1

BOMBAY, 26th March, 1927.

No. 50063

To His Highness Maharaja Sahib Bhagvat Sinhji,
G.C.I.E.,
Maharaja Sahib of Gondal

Sir,

We have this day bought by your order & for your account from selves Rs. 500,000/- (Rs. five lacs) 6% Bonds due 1932 at Rs. 107/10%.

Payable within a week.

Yours faithfully,
Premchand Roychand & Sons, Brokers.

Figure 2. 1927 broker's note for bonds valued at 500,000 rupees



Figure 4.
Edward VII Share
Transfer stamps

rupee (16 annas) tax. Both of these brokers' notes use Edwardian stamps to pay the tax.

We know very little about India tax rates before World War II. We have the rate structure from the 1938 Stamp Act but the documentary evidence does not match the published rate. The 1938 Stamp Act provided for a tax of 2 annas for the first 20 rupees of securities value, 1 anna additional tax for a value over 20 rupees up to 10,000 rupees and

an additional 1 anna for each succeeding 10,000 rupees to a maximum tax of 10 rupees. The standard reference work for Indian revenue stamps (*Indian Government Fiscal and Judicial Stamps and Stamp Papers Including Provincial and Provisional Issues* by Blatt, Mollah and Heppell) tells us:

The ravages of time have deprived us today of accurate or in some cases any records of what was issued, when it was issued and why it was issued. De La Rue Ltd. in London, who were responsible for printing revenue stamps to 1926 was all but destroyed in WWII and most of its records lost. In India the climate constantly worked against the survival of any paper records leaving few details to filter down to us today. A number of disastrous fires in Calcutta put paid to the records of the stamp office and courts.

Increased attention to Indian revenue stamps and revenue postal history in recent years make it likely that additional information will be uncovered.

Share Transfer

Share Transfer stamps were issued in 2, 4, 8 and 12 annas and 1, 5 and 10 rupees denominations

Figure 5.
Document
recording
successive sales
of ten shares of
Bengal Bonded
Warehouse
Association
during 1910-1939,
with Share
Transfer stamps
of Victoria,
Edward and
George V

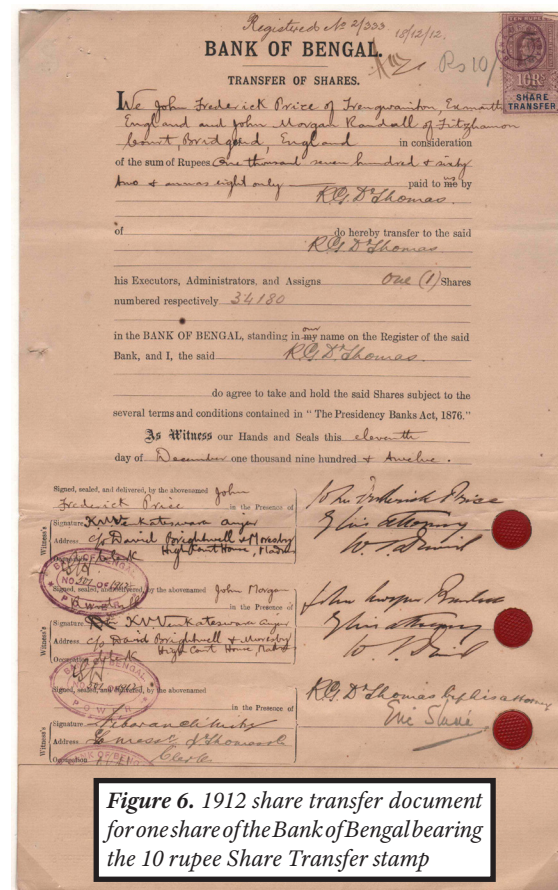


Figure 6. 1912 share transfer document
for one share of the Bank of Bengal bearing
the 10 rupee Share Transfer stamp

(Figure 4) and were used for paying the tax for transferring ownership of stock shares. Revenue stamps designated for this purpose were first introduced in India in 1863. The tax was based on the value of shares transferred but the documentary record makes it difficult to ascertain tax rates. There were two types of transactions: one in which the same shares transferred ownership multiple times and one in which the original 'identity' of the shares was not part of the transaction history.

Figure 5 shows a share transfer document for ten shares of The Bengal Bonded Warehouse Association. These shares were originally issued in June 1910 and were transferred in July 1910, August 1913, October 1916, August 1919 and April 1939. This document bears Share Transfer stamps of Victoria, Edward and George V, as the same

document was used to transfer the same shares in each transaction and the Share Transfer stamps were applied for each transaction.

Figure 6 shows a December 1912 document transferring one share in the Bank of Bengal with a value of 1,762.5 rupees. The tax was 10 rupees.

Figure 7 shows the front and back of an October 1918 document transferring 93 shares (identified by number) of the New Egerton Woolen Mills Company valued at 156,500 rupees, with a tax of 782 rupees 8 annas. To pay it, an astonishing 111 stamps were affixed: 10r (x50), 5r (x56) and 8a (x5)! Higher-denomination stamps of, say, 20r, 50r and 100r would have simplified the task considerably.

George V Share Transfer stamps were issued in 1913 but as we have seen, Edwardian stamps continued to be used after this.

Figure 7. 1918 Transfer of Shares document for 93 shares of New Egerton Woolen Mills Co. with a value of 156,500 rupees, the tax of 782 rupees 8 annas paid by 111 stamps including fifty of the high-value 10r



Figure 8 shows the reverse of a May 1914 share transfer document for 18 shares of the Bank of Bengal with a value of 29,790 rupees. The Share Transfer stamps of 150 rupees [10r (x4), 5r (x22)] represent an effective tax rate of one-half of one

percent — the same as on all other share transfer documents shown here. In over thirty years of collecting this material this is the first cross-gutter block of Edward VII revenue stamps I have seen.

Figure 8.
Reverse of 1914
share transfer
document with
150 rupee tax
paid by four 10r
plus spectacular
cross-gutter block
of 22 of the 5r



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The Kenya Hospital Insurance Stamps: Some Additional Information

By John Semeniuk

An article by Regis Hoffman in the January-February 2010 issue of this journal (Hoffman, 2010) examined the tax stamps of the Kenya Hospital Insurance Fund. Beginning with the 1990/91 issues, the article provides quite a detailed listing of these stamps. Prior to the 1990/91 issues, however, there is a substantial gap in the listing of these items. It is the hope of this short article to fill in some of these blanks.

The following additional eight stamps can now be reported, each with overlapping years as indicated:



1) 1975-76. Color: deep red. Denomination and dates in black.



2) 1977-78. Color: light orange. Denomination and dates in black.



3) 1978-79.. Color: orange. Denomination and dates in black.



4) 1979-80. Color: deep blue and light green. Denomination and dates in black.



5) 1980-81. Color: yellow brown, red brown, and olive. Denomination and dates in dark brown.



6) 1981-82. Color: green, dark green, and lime green. Denomination and dates in dark green.



7) 1982-83. Color: violet, purple, and pink blue. Denomination and dates in purple.



8) 1983-84. Color: green, yellow green, and dark blue. Denomination and dates in dark blue.

General Observations

Missing from the above listing is a stamp from 1976–77, but clearly there must have been one as well.

The stamps from 1975–76 through 1979–80 (nos. 1–4) all measure 24x20 mm, and all are perforated 14. The 1979–80 stamp is the last of the small-size issues. However, it is the first to introduce the “floral” pattern of design used on the subsequent larger sized stamps, at least through the 1983–84 issue.

The stamps from 1980–81 through 1983–4 (nos. 5–8) all measure 59x26 mm, and all are perforated 14½ x 15.

As seen from the above consecutive sequence of designs, the issues from 1975–76 through 1978–79 use the designation “Kenya Hospital Insurance,” where the name “Kenya” is part and parcel of the designation. On the issue from 1979–80 (no. 4) the name “Kenya” already stands apart from the rest of the designation.

The issue from 1980–81 is the first to introduce the designation “National Hospital Insurance Fund.” On this stamp the name “Kenya” appears twice and also stands separately from the rest of the designation. As seen on the stamps illustrating the aforementioned Hoffman article, this fully spelled out designation was later abbreviated to read: “N.H.I.F.”

On all the stamps described above (nos. 1–8), the overlapping years are indicated by a dash. On all

the stamps illustrated in the Hoffman article, a slash is used to separate the overlapping years.

As evidenced by the marginal imprint of the printer’s logo, seen on the illustrated issues from 1978–79 (no. 3) and 1979–80 (no. 4), the stamps were printed by The House of Questa Ltd. of Great Britain.

A curious detail about all of the above stamps is that each is denominated 20 shillings. Interestingly, this is likewise true of all the stamps prior to 1990/91 which were reported and illustrated in the Hoffman article, although with respect to the earliest known (undated) series of “Hospital Tax” stamps, the author stated that: “Other values in the set recently appeared in a Cherrystone auction.”

Still, the seemingly exclusive use on these early issues of just the 20 shilling denomination gives rise to the question of why. One is tempted to conclude that 20 shillings was the standard tax rate and thus the only denomination issued prior to a still undetermined date. But this option seems untenable in light of the above-cited quotation about other values of the earliest known series. Another possibility is that the seemingly exclusive presence of the 20 shilling value may simply be due to a higher rate of survival of this denomination and thus of collector availability.

Reference

Hoffman, Regis. 2010. Kenya Hospital Insurance Fund Tax Stamps. *The American Revenuer*, January-February; 63:20–23.

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The American Revenue Association

President's Letter

Our meeting at Sarasota last month was useful, but sparsely attended by our membership. Although we thought Florida would be an attractive location in early February, apparently it was not a good time of year for many of us. Those of us who were there enjoyed it thoroughly.

Another reason for selecting that show is that it was well in advance of the NY 2016 International, which remains a valid one. Those of us intending to go to New York may well find that it takes up our time and budget to the extent that we're glad we don't have another show looming not long afterward.

The ARA is sharing a table with the State Revenue Society at NY 2016. We intend to make it a headquarters for revenueurs attending the show, but we need your help to do this. Three or four of us cannot sit behind the table for eight hours a day every day of the show. If you are going to the show,

WE NEED AN HOUR OR TWO OF YOUR TIME to represent us behind the table.

Alan Hicks (setdec1@aol.com) is coordinating our efforts to keep the booth staffed as much of the time as we possibly can. The show insists on 80 or 85% of the time, incidentally, but even if they didn't, an empty table with free magazines strewn randomly does not impress anyone. *PLEASE GIVE US AN HOUR OR TWO OF YOUR TIME! And THANK YOU!*

We will not have a formal meeting at the show, as trying to guess when enough of you will be available for one is beyond me. Besides, if you are only there for a day or two and spend an hour or so staffing the table you probably don't want to attend a meeting too. I will try to be at the table often enough for you to discuss anything you want. Otherwise, Eric Jackson will have a booth at the show, and is a member of the Board. See you in New York!

Secretary's Report

Applications for Membership

The following have applied for membership in the ARA. If the Secretary receives no objections to their membership by the last day of the month following publication the applicants will be admitted to membership.

Hoecker, Gary 7202. 12042 SE Sunnyside Rd. #515, Clackamas, OR 97015

Krusz, Anthony 7203. 77 Yorktowne Ct., Chicopee, MA 012020

Johnson, Bill 7204. 4449 NE Indian Creek Rd, Topeka, KS 66617

Mosiondz, Peter Jr. 7205. 26 Cameron Circle, Laurel Springs, NJ 08021

Armstrong, Clifford 7206. 12104 NE 150th St, Kirkland, WA 98024

Unable to Forward

7184 Morse, Rusty

Deceased

2536 Corets, Myron

Resigned

3974 Beaudry, Richard

3078 Dyer, Robert

5417 Couch, Scott A.

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Wanted: Brokers' Memos. I will buy or trade for your duplicates. Looking for Brokers' Memos with adhesive or imprinted revenue stamps from 1862-1872. Martin Packouz, PO Box 839, Bernardsville, NJ 07924. Call 908-419-1944 or Email: mapackouz@gmail.com. *2051*

Worldwide Revenue Collection Liquidation by country or colony. Also documents, cinderellas, perfins on revenues, etc., everything from A-Z. Also wholesale lots for upcoming revenue dealers. I am buying Canadian cinderellas & labels. Gordon Brooks, PO Box 100, Station N.D.G., Montreal, Quebec, Canada H4A 3P4. email: bizziz@sympatico.ca. *2050*

Beer Stamp Album For Sale. Newly revised and expanded 2nd edition, 200 pages unpunched, on bright white 65 lb card stock with stamp images in some series, modeled after Priester, with

concordance printed in each box plus additional stamp description, i.e. color, denomination, etc. \$155 PREPAID excluding shipping. David Sohn, 1607 Boathouse Circle, #H116 Sarasota, FL 34231. 941-966-6505 or 847-564-0692, email davidsohn32@comcast.net *2049*

R152. A vertical pair, imperf between, with sheet margin showing "No" was sold at the Shreves Oct 2001 auction as lot 1786. I would like to obtain this item. In addition, I am interested in any R152 items showing marginal markings. John D. Bowman, 14409 Pentridge Dr., Corpus Christi, TX 78410, or jbowman@stx.rr.com. *2047*

Match and Medicine, etc. Interested in trading. Muriel Rowan, 17160 Kinzie St., Northridge, CA 91325 or merkrow@aol.com *2045*

RY11 Firearms Transfer Document. NEW! \$200 self-adhesive inscribed "DEPARTMENT OF JUSTICE" on complete Form-4 document. VF \$165.00; F-VF \$140.00; stamp with very minor fault \$75.00; stamp with tear, etc. \$45.00. Contact for availability. Gregg Greenwald, 2401 Bluebird Ct, Marshfield, WI 54449. (715) 384-4527 (evenings) or bluebird@tznnet.com. *2044*

Sever-Francis Catalog Puzzle Answers

Ten stamps did not exist: Bill of Sale of Vessel 25¢ and 50¢, Charter Party \$1, Conveyance \$50, Inland Exchange 1¢, 2¢ and 3¢, Insurance 10¢, Lottery Ticket 50¢ and Writ 50¢. The statement that "the Express stamps are no longer in use" was erroneous, likewise the claim that "the 10-cent Certificate [is] no longer in use."

Most of these errors resulted from the assumption that new taxes or rates added by the Act of March 3, 1863, would be accompanied by new matching stamps. That Act taxed two previously untaxed document types: Bill of Sale of Vessel (25¢ for amounts to \$500, and for larger amounts 50¢ per \$1,000 or fraction); and Lottery Ticket (blanket 50¢ tax). The ten Inland Exchange rates were replaced by six new ones specifying taxes in multiples of 1¢, 2¢, 3¢, 4¢, 6¢ and 10¢. Finally, additional rates were carved out for Charter Party (\$1 for vessels up to 150 tons) and Insurance (10¢ for premiums up to \$10).

Catalog maker Geotge Dexter was undoubtedly misled by the creation of Inland Exchange 4¢ and 6¢ stamps in April 1863 to facilitate payment of the new Inland Exchange 4¢ and 6¢ tax brackets, evidently assuming that the same would be done for all other new rates as well. With hindsight, though, we can see that the Inland Exchange 4¢ and 6¢ rates and accompanying stamps were a special case; for these denominations alone there were no existing documentary

stamps available. For all other new taxes/brackets (1¢, 2¢, 3¢, 10¢, 25¢, 50¢, \$1) there were numerous existing titles available, and as the catalog itself pointed out, "Stamps of any kind, except Proprietary, may be used indiscriminately on any other instrument than that designated by the stamp."

The "Writ 50¢" is simply a misidentification of the Original Process 50¢. The catalog makers evidently based their listing on the wording of the statutes ("Legal documents: "Writ, or other process by which any suit is commenced ..."), rather than on the unexpectedly worded "Original Process" stamp, which they had obviously not seen.

The "Conveyance \$50" was a misidentification of the general purpose "United States Inter. Revenue" \$50. This stamp was first delivered May 15, 1863, shortly before this catalog appeared; the compilers must have known a \$50 stamp had appeared, or was in the works, but not seen one, and made a guess at its title.

The statement that the Express stamps were no longer in use was based on the knowledge that the Express tax had been rescinded effective May 1, 1863, and the faulty assumption that the stamps would be withdrawn; we now know they were not. The claim that 10¢ Certificate was no longer in use had an even shakier foundation: the aforesaid Act had indeed reduced the general Certificate rate from 10¢ to 5¢, but had left the Certificate of Profit 10¢ rate intact.

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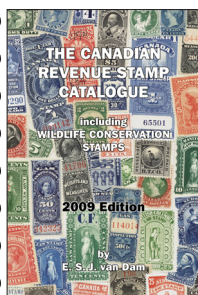
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