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Revenues**

The United States is one of the few countries in the world whose fiscal stamps are collected almost as widely as are its postage stamps. Other countries have revenue stamps almost as beautiful, and still other countries have a revenue history almost as colorful as our own. (Great Britain, for example, had a tax on opera hats, graduated according to the height of the hat. It is probably the fairest tax ever applied by any taxing authority in the world's history, since it really hit hardest those most able to pay it!)

We even have a national association of revenue stamp collectors, with a monthly publication. (We would be glad to propose for membership any reader interested; just send a stamped, addressed envelope and an application will be sent.)

Actually, revenue stamps predate postage stamps. When Rowland Hill's fertile brain started working on a scheme to collect the postage on letters before they were sent – at that time, the recipient paid the postage, in this country, as well as everywhere else – he had a century-old precedent of revenue stamps to adapt for his plan. Britain's "Stamp Act" which so infuriated the American colonists that revolution and independence entered their minds was a tax, applicable only to the colonists, payable by a revenue stamp.

The principle source of funds in the early days of our nation, both under the Articles of Confederation and the Constitution, were various types of excise taxes, many of them paid with revenue stamps. Most of the original thirteen states had their individual stamps. In the first half of the nineteenth century, the Federal Government obtained a large portion of its revenues from the same source.

When Civil War broke out in 1861, the need for funds to fight the war was unprecedented. Our first income tax was instituted, to be discontinued later when the Supreme Court ruled it unconstitutional. (Little chance of that happening again, for in 1913, the Constitution was amended to permit it.) If we today feel overburdened with nuisance taxes, a few tears shed by us might have comforted the citizenry of 1861. Among the items taxed (and the tax paid by an adhesive revenue stamp) were canned and preserved foods, business receipts, train and all travel tickets, telegrams, bank checks, wills, teachers' certificates, and dozens of other items. Individual stamps for each category were issued, but when the futility of being able to keep on hand stamps of each denomination for each subject was noted, the stamps were used indiscriminately.

The taxes were levied according to the amount of money involved in the instrument being taxed. A mortgage of \$1,000 paid only a nominal tax, but one for a million dollars paid a much larger one, thus necessitating the issuance of revenue stamps with a face value of as much as one thousand dollars. Since perhaps hundreds of lower denominations were used for each higher one, it is the latter which naturally are more desired and more valuable.



The first issue of Federal adhesive revenue stamps appeared in 1861, Scott R1 & R5 are show **Figure C1 & C2**. It was followed in the next few years by what collectors' term, for reasons of convenience, the second and third issues, although it has now been

Figures C1

Figures C2

established that many of these were used concurrently; in other words, when the second issue appeared, the first issue was not discontinued.

A war was going on, and the demand for the stamps always exceeded the supply. Stamp deliveries were made of unfinished stamps (imperforates) and of half-finished stamps (part perforates). In the haste to get the stamps into the hands of users, many sheets which under ordinary circumstances would have been returned for destruction were sold, which is why so many revenue stamps are seen with crazy perforations: double, diagonal, triple and zig-zag.

Figures C3



These revenues on the original documents always attract considerable interest, especially if the document is of small, neat size, and is itself of attractive appearance. In 1861, electricity was, of course, known, but its principle use was by quack doctors to cure illnesses for which they were just concocting private proprietary medicines. (These too were taxed with revenue stamps...even that new-fangled novelty, photography, had to have a revenue stamp affixed to the back of each photograph to show that the tax had been paid.) The principle source of energy was, of course, water power, and in 1832, the Boston Water Power Co. was organized to supply industry of that city with water. To raise money, shares of stock were issued. Each of the red and black, neat album-sized stock certificates carries a lovely, delicate vignette of the Boston skyline as it was in 1832, some factories belching smoke (air pollution existed then, too!), and others (ostensibly clients of the Boston Water Power Co.), existing under a placid sky.

When the Civil War came along, each certificate was, of course, taxed; the 25c being collected by means of a 25c revenue stamp (in this case, inscribed "Certificate"), and applied to the corner of the share of stock. The stamp is a part perforate, meaning that the printers neglected to add any horizontal perforations, thus making it necessary for someone at the Boston Water Power Co. to cut each one apart with scissors.

The stamp is of only nominal value, as anyone can see simply by looking up Scott #R43b [Figure C3], but properly used on this document, and properly cancelled with the initials of the company's Treasurer (J.T.W. Braman) who also signed each certificate, one can have a most interesting philatelic item for the modest price of \$1.50, postpaid. These will be sent

first class mail, neatly folded along the original folds of more than a century ago. All are in exceedingly fine condition.

[Editor's note: This article from the ever-readable Pat Hearst – penned a little over 50 years ago, has been provided for our reading pleasure by Team Dowrick. The field of revenue collecting is a challenge for those willing to go down that rabbit hole. For the purpose of accuracy, it must be acknowledged that the original article as written did not include images. The three images were used to add a little more visual interest to the text of the article.]