

Incoming! Revenue-Stamped Foreign Bills of Exchange Payable in the U.S., 1862–1872

**Purpose.** This exhibit shows U.S. revenue-stamped incoming foreign bills of exchange —i.e., those drawn in a foreign country but payable in the U.S.—from the era of broad U.S. Civil War documentary taxation, 1862–1872, and explains the stamp taxes thereon.

**Basis of Tax.** Upon acceptance (the signed agreement to pay by the drawee, written on the face) or payment in the U.S., incoming bills were taxed at the same rates as domestic bills: if payable at sight, at the Bank Check 2¢ tax; otherwise, at the Inland Exchange rate(s).

**Exhibit Plan.** Items are arranged according to the tax regime:

- 1. Bank Check 2¢ Rate**

1.1 Danish West Indies  
1.2 Canada (Province)  
1.3 Prince Edward Island  
1.4 France
- 2. Inland Exchange 1862 Rates**

2.1 Canada (Province)  
2.2 Cuba
- 3. Inland Exchange 1863 Rates**

3.1 Hawaii  
3.3 Canada (Province)  
3.2 Cuba
- 4. Inland Exchange 1864 Rate**

4.1 Canada  
4.2 Nova Scotia  
4.3 Chile  
4.4 Cuba  
4.5 Great Britain  
4.6 Germany

4.7 Guatemala  
4.8 Hawaii  
4.9 Mexico  
4.10 New Zealand  
4.11 Puerto Rico

All recorded originals are included.

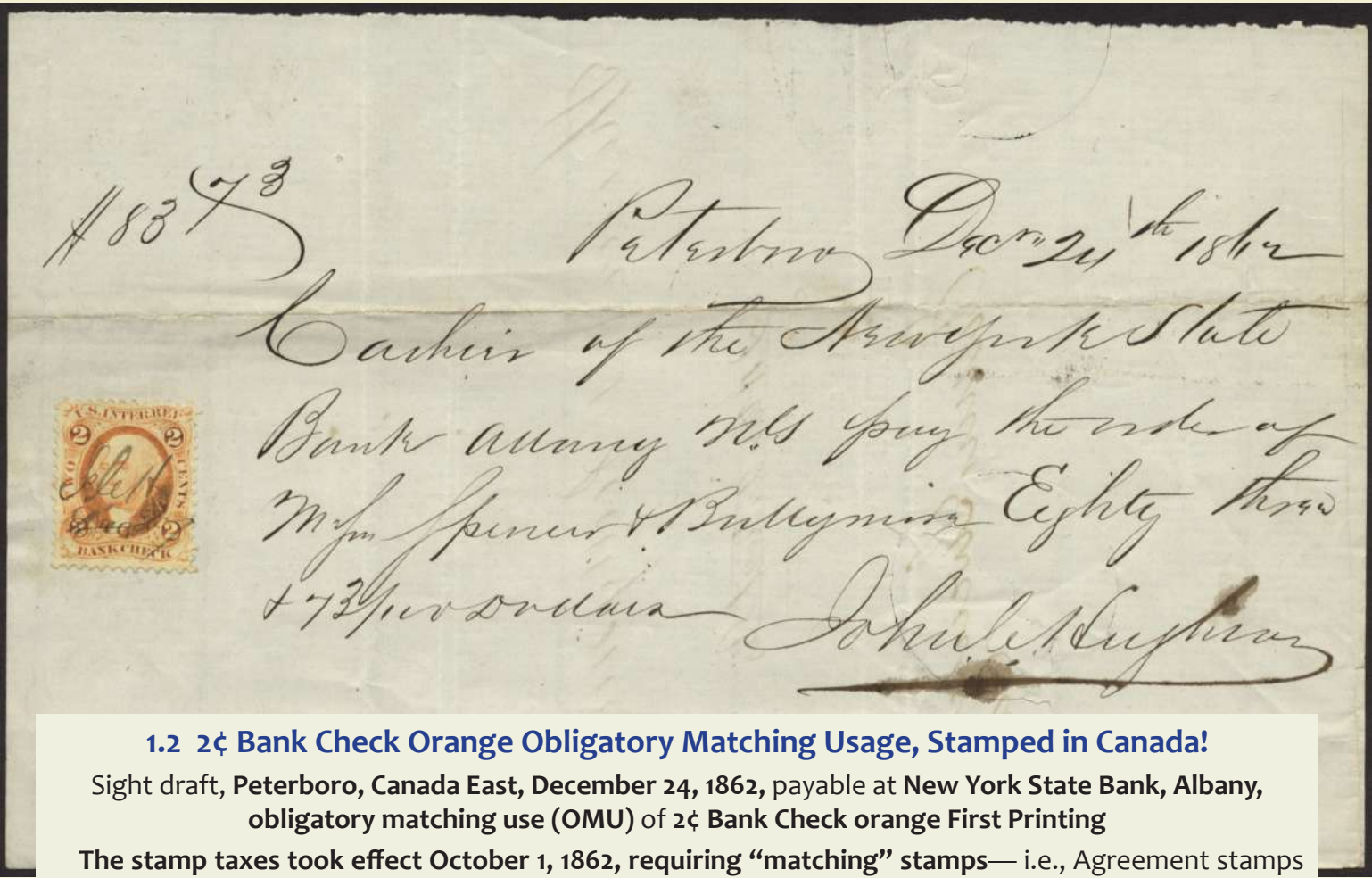
1. Bank Check 2¢ Rate



1.1 Danish West Indies

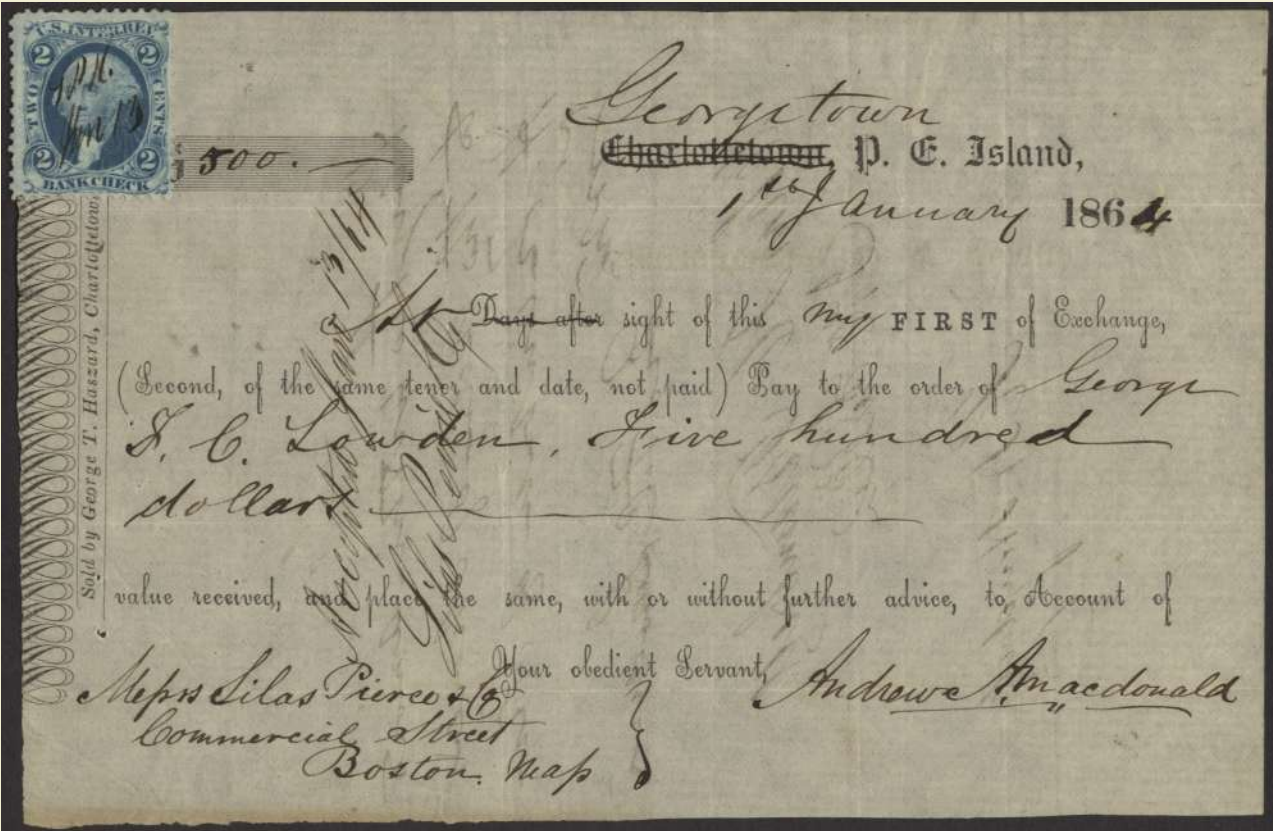
Sole recorded incoming bill from D.W.I.

1870 sight draft, Christiansted, Santa Cruz, Danish West Indies drawn on account with Wells, Fargo & Co., New York



1.2 2¢ Bank Check Orange Obligatory Matching Usage, Stamped in Canada!

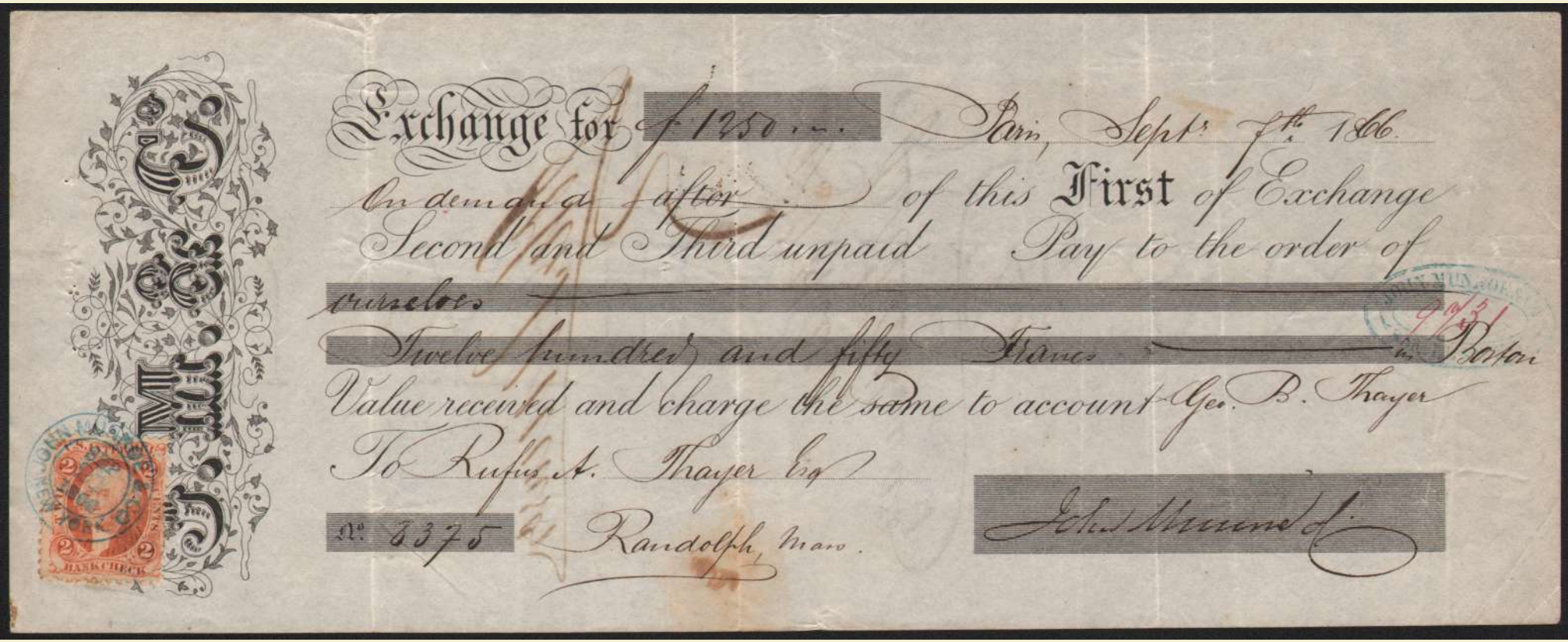
Sight draft, Peterboro, Canada East, December 24, 1862, payable at New York State Bank, Albany, obligatory matching use (OMU) of 2¢ Bank Check orange First Printing  
The stamp taxes took effect October 1, 1862, requiring “matching” stamps— i.e., Agreement stamps on agreements, Bank Check stamps on checks, etc. This requirement was rescinded December 25, 1862.  
The cancel “JCH” is in Hughson’s hand; the stamp was carried to Peterboro and affixed there!



1.3 Prince Edward Island

Two incoming bills recorded from P.E.I.

1864 First bill of exchange, Georgetown, Prince Edward Island, drawn on party in Boston, payable at sight, thus taxed at 2¢ rate



1.4 France

1866 First bill of exchange, John Munroe & Co., Paris, drawn on party in Massachusetts, payable on demand, thus taxed at 2¢ rate  
A few Munroe bills, and the one from Prince Edward Island shown at left, are the sole recorded setwise bills of exchange taxed at the 2¢ rate

2. Inland Exchange 1862 Rates



2.2 Cuba: Inland Exchange 1862 40¢ Rate

January 1863 Second bill of exchange, Matanzas, Cuba, drawn on party in New York, \$832, 1862 40¢ rate (for amounts above \$750 to \$1,000) paid by matching Inland Exchange 40¢  
Sole recorded incoming example of this rate  
Paid Seconds are seldom seen

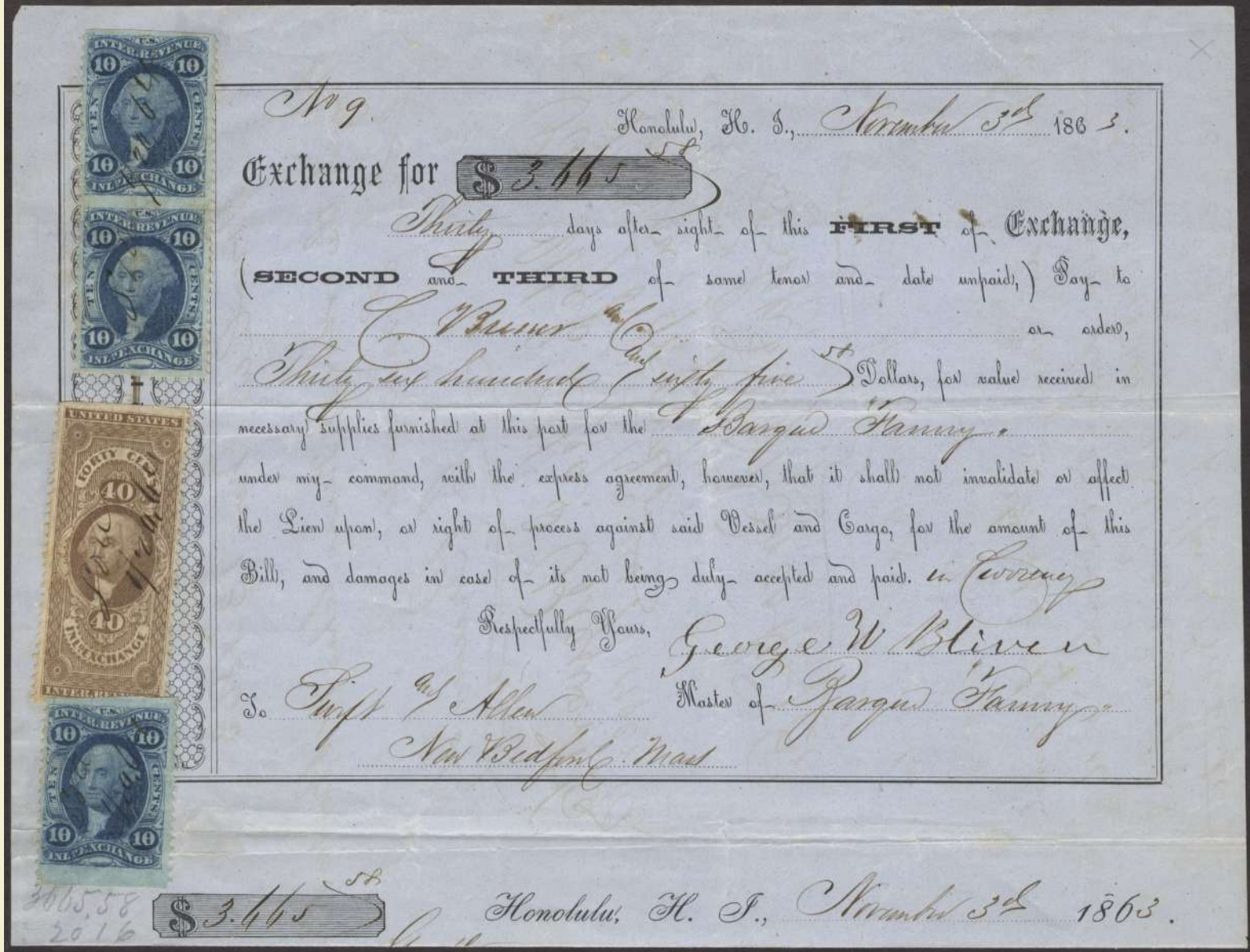
2.1 Canada: Inland Exchange 1862 \$1 Rate Early Matching Usages

Time drafts, Peterboro, Canada East, to party in Albany, New York  
Left top, December 17, 1862, \$2,000, 1862 \$1 rate for amounts above \$1,500 to \$2,500, paid by matching Inland Exchange 30¢ (x3) & 10¢, the \$1 Inland evidently not yet available  
The cancel was evidently backdated; if the stamps were affixed before December 25, 1862, this would be an obligatory matching use (OMU); in any case, it was done in the spirit of the requirement, as news of its rescinding took weeks to be disseminated.

Left, January 1863, \$2,500, 1862 \$1 rate now paid by matching Inland Exchange \$1 imperforate  
Four incoming examples of \$1 rate recorded

The 1862 Inland Exchange rates, with ten tiers depending on the amount, were in effect only five months, with stamps available only for the last three.  
Six incoming examples recorded





### 3.1 Hawaii: Stamped Erroneously at Foreign Exchange 1862 Rates

November 1863 First bill of exchange, Honolulu, by master of whaling bark Fanny, \$3,665.58 for supplies, drawn on whaling factors Swift & Allen in New Bedford, Massachusetts

At 30 days sight, the correct tax 19¢ by Inland Exchange 1863 rate of 1¢ per \$200 for durations up to 30 days  
 Stamped in error at 1862 Foreign Exchange 70¢ rate, paid by matching Inland Exchange 40¢ & 10¢ (x3), all part perforate  
 Swift & Allen were evidently unaware that the Foreign Exchange rates applied only to outgoing bills!



### 3.1 Hawaii: 1863 1¢ per \$200 Rate

January 1864 First bill of exchange, Honolulu, by master of whaling bark Massachusetts, \$1,500 for supplies, drawn on whaling factors Swift & Allen in New Bedford, Massachusetts

At one day's sight, correct tax 8¢ by Inland Exchange 1863 rate of 1¢ per \$200 for durations up to 30 days, curiously 12¢ paid, by Inland Exchange 10¢ & Express 1¢ pair, all part perforate

Close inspection provides the explanation: the bill was paid, not by \$1,500 in gold as specified, but only \$11.50 in gold and the remainder by \$2,389.04 in currency at a whopping 60% premium! The 12¢ tax was based on payment of \$2,400, but only 8¢, based on the stated amount of the bill, was necessary. Swift & Allen were now aware of the correct rates, but unsure of their application!



### 3.2 Canada: 1863 4¢ per \$200 Rate

March 1864 time draft, Peterboro, Canada East, to party in Albany, New York

\$3,000 in three months, tax 60¢ by Inland Exchange 1863 rate of 4¢ per \$200 for durations 90 days to 4 months



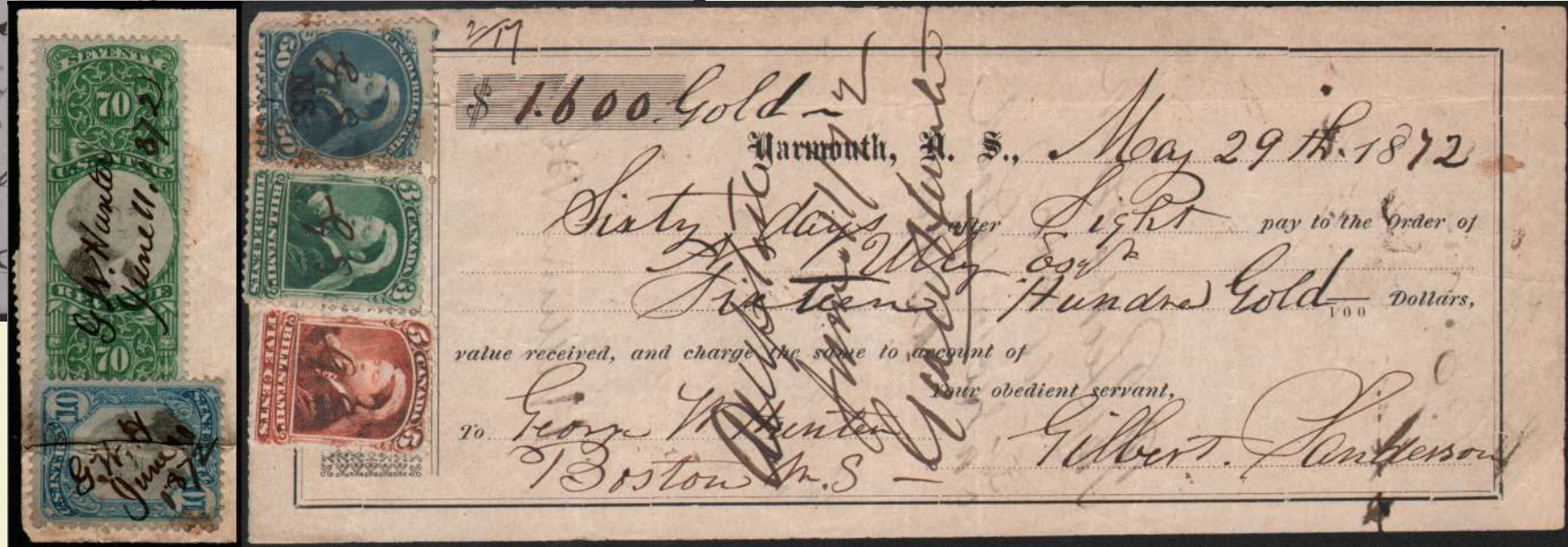
### 3.2 Cuba: 1863 2¢ per \$200 Rate

September 1863 First of exchange, Havana, drawn on party in New York, \$1,600 at 60 days sight, tax 16¢ by Inland Exchange 1863 rate of 2¢ per \$200 for durations 30-60 days  
 Cuba adhesive added circa 1868 to ensure legality in a long-running legal action

Two incoming examples of 1863 2¢ per \$200 rate recorded



### 4. 1864 Inland Exchange Rate, 5¢ per \$100



### 4.1 Canada First, Second and Third Bill Issues

Time drafts, Canada Province/Federation bill tax of 3¢ per \$100 paid on execution:

Top, November 1865, Peterboro, Canada East, on party in Albany, New York, \$2,000, First Bill Issue 20¢ (x2) & 10¢ (x2)  
 Provincial First Bill Issues in use only about a year in 1864-5; four First Bill-U.S. combinations recorded

Middle, December 1865, same parties, Second Bill Issue 50¢ & 20¢ (x2);  
 Provincial Second Bill Issues in use 1865-7; two Second Bill-U.S. combinations recorded

Bottom, 1872 Yarmouth, Nova Scotia, on Boston, \$1,600, Federation Third Bill Issue 50¢, 5¢ & 3¢,  
 50¢ with Nova Scotia "N.S." overprint; four "N.S."-U.S. combinations recorded

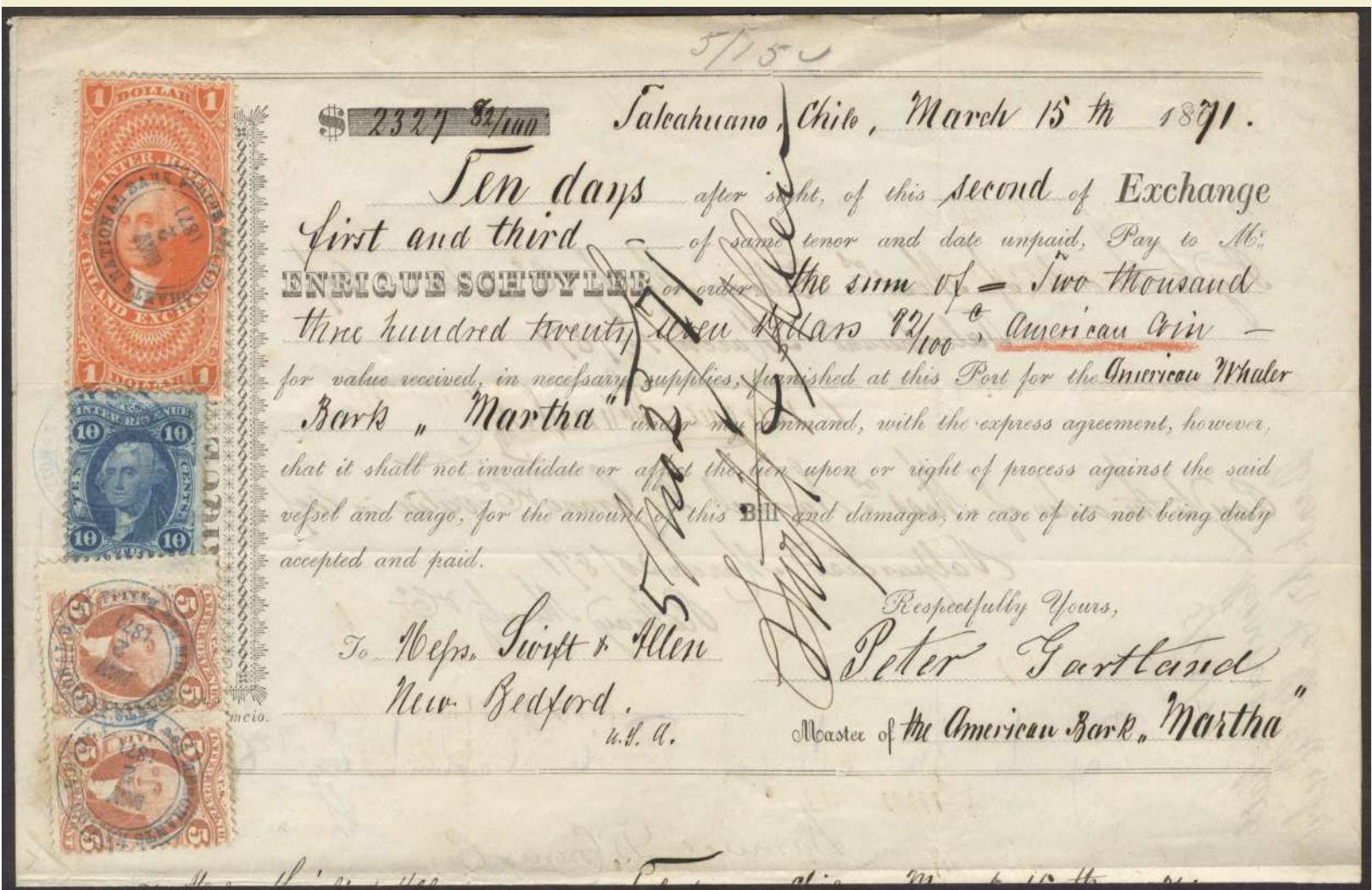
Upon acceptance, U.S. tax of 5¢ per \$100 paid; note U.S. Third Issue 70¢, recorded on only eight documents

### 4.2 Chile: Sole Recorded Incoming Bill

1871 Second of exchange, Talcahuano, Chile, by master of whaling bark Martha, drawn on whaling factors Swift & Allen in New Bedford, Massachusetts,

\$2,328.82 for supplies, tax \$1.20

Paid Seconds are seldom seen





#### 4.4 Cuba: High-Value Giro Stamped Paper

1869 First bill of exchange, Havana, drawn on New York, for \$25,000 gold written on Giro (“Draft”) revenue stamped paper of 15 escudos, the high value, for transactions above 22,500 escudos. This was about \$11,700, so the tax was correct.

Upon acceptance taxed at 5¢ per \$100, \$12.50 paid by \$10 Charter Party & \$2.50 Inland Exchange

Depending on the basis for comparison, one dollar in 1869 was equivalent to between \$20 and \$50 today, so this was comparable to a present-day million dollar transaction. Ex-Joyce.

Five Cuba-U.S. combinations recorded, only two on stamped paper



#### 4.4 Cuba: the “Knowlton Find”

The commercial archive of New York sugar importers Danford Knowlton & Co. yielded by far the most numerous and notable cache of incoming foreign bills, all from Cuba dated 1865–8. Here are three key items from that find.

1868 First of Augustin Ariosa & Co., Caibarien, \$8,100, \$4.05 tax paid by \$3.50 Inland Exchange, 50¢ & 5¢  
An exotic use of the \$3.50 Inland, seldom seen on document

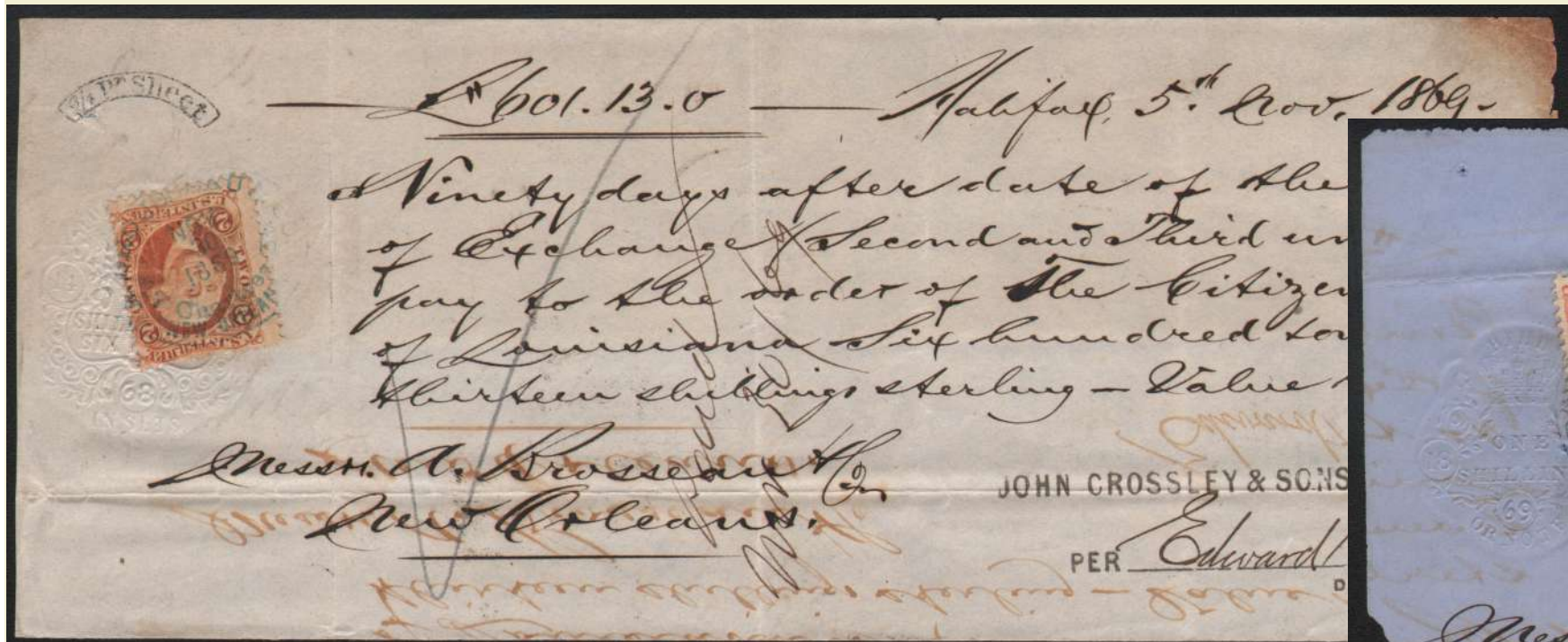
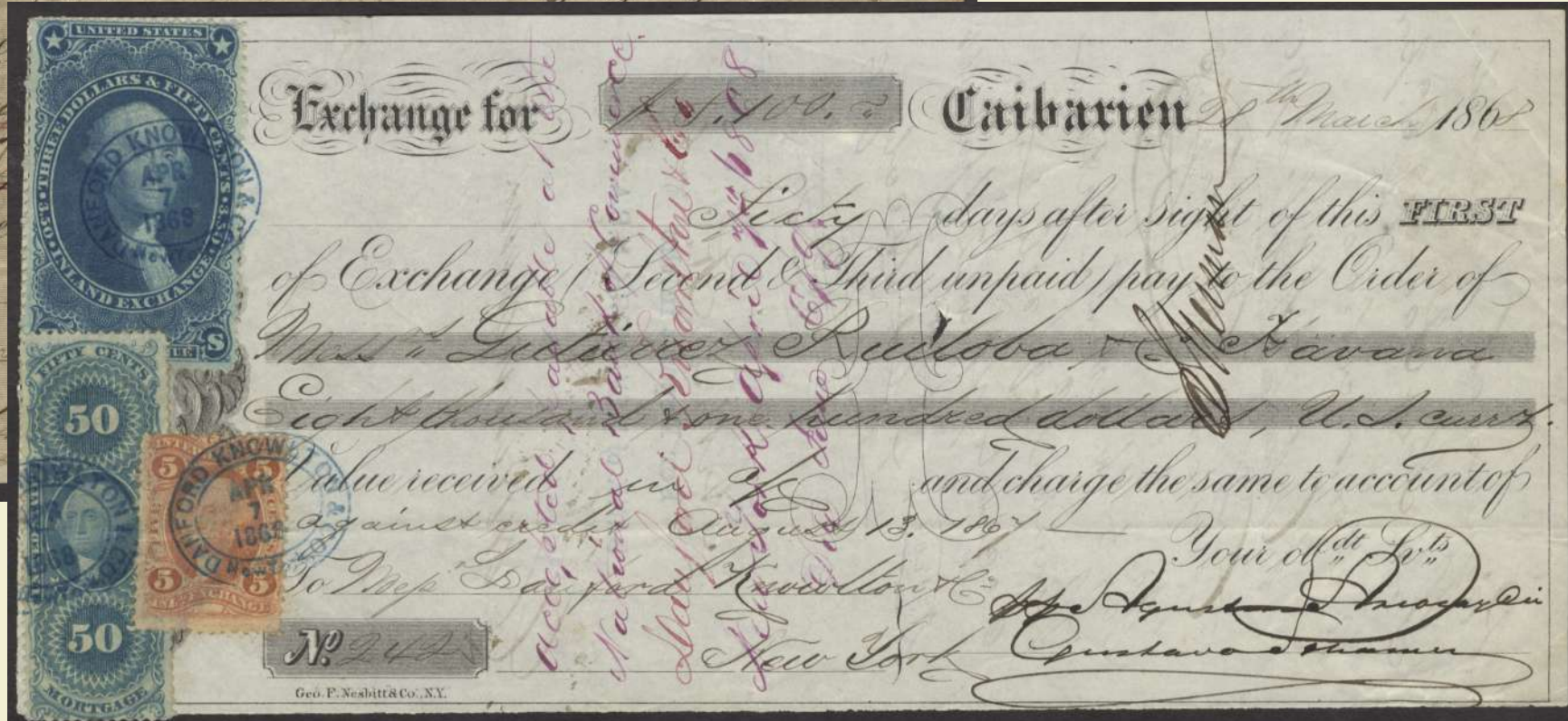


1868 First of Manuel Marquez, Nuevitas, \$8,000, \$4 tax paid by \$2.50 & 20¢ Inland Exchange and \$1.30 Foreign Exchange

The \$1.30 recorded on fewer than twenty documents, this arguably the choicest



1868 Second of Manuel Marquez, Nuevitas, entirely in Spanish, \$5,000, tax paid by \$2.50 Inland Exchange in striking dark brown shade  
Paid Seconds are seldom seen.



#### 4.5 Sole Recorded Incoming Bills from Great Britain

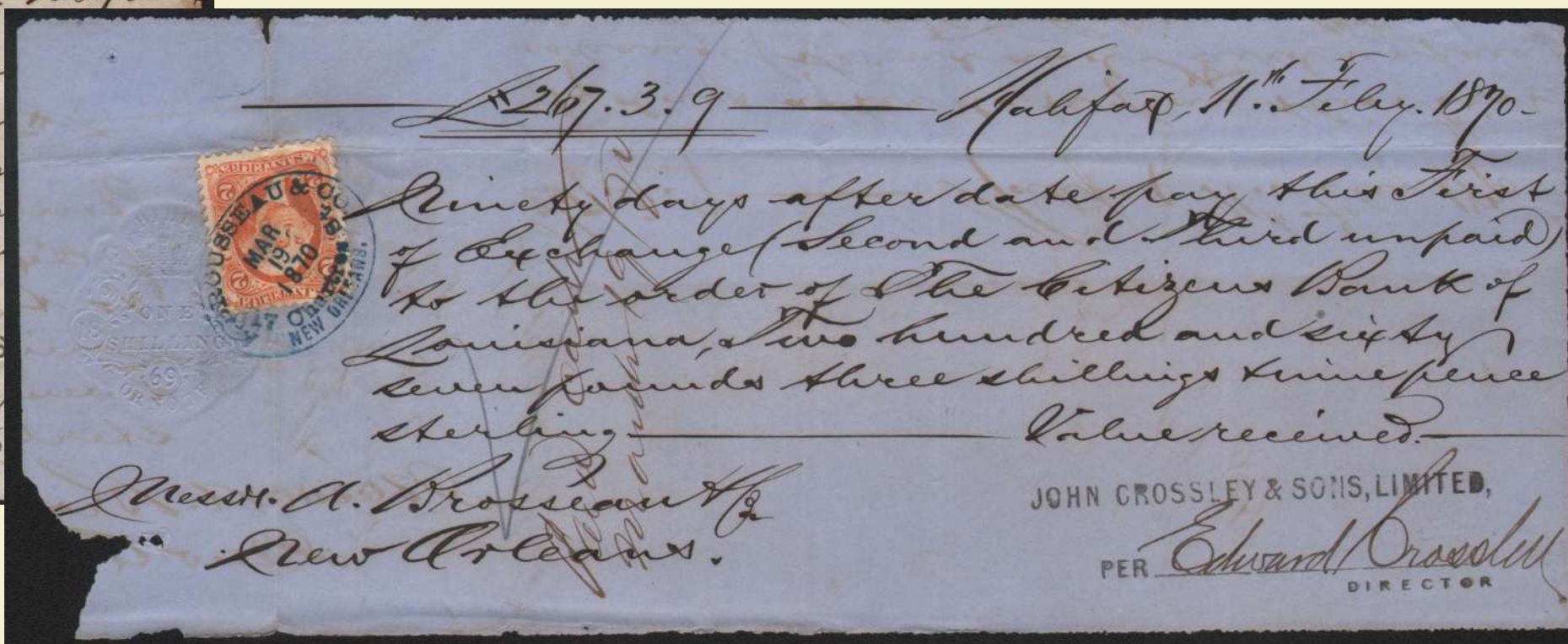
1869 & 1870 First bills, Halifax, drawn on party in New Orleans, payable at 90 days sight:

Above, for £601.13.0 (about \$2,930) with “FOREIGN BILL IN SETS” embossed 2s 6d.

Right, for £267.3.9 (about \$1,300) now with “BILL OR NOTE” embossed 1s

The underlying Stamp Acts explain the different stamp types:

- The 1854 Act laid down rates for sets of three, one-third to be paid on each bill;
- The 1870 Act ruled instead that the First bill should show the full tax, the others to be unstamped.



(Great Britain used Foreign Bill adhesives on their incoming bills, embossed stamps on outgoing.)

Upon acceptance 2¢ U.S. tax paid on each. since payable at 90 days sight, the correct tax was 5¢ per \$100, or \$1.50 and 65¢, respectively. Uncle Sam was short-changed!

#### 4.6 Germany: Bremen

Two incoming bills recorded from Germany

1871 “only” bill of exchange, Joh. Heckemann, Bremen, \$28.05 at three days sight, drawn on Samuel D. Wilson in New York

5¢ tied by partial strikes of Wilson’s datestamp advertising “AUCTION GOODS & YANKEE NOTIONS” at 78 Bowery, with a clear strike on reverse

Bills made singly are very seldom seen







#### 4.7 Guatemala: Double Crossing of the Atlantic

##### Two incoming bills recorded from Guatemala

1871 generic First (“prim.”) in Spanish, Guatemala (City), drawn on New York, \$500, on acceptance 25¢ Certificate affixed

Covered with endorsements, handstamps and notations revealing two crossings of the Atlantic, including:

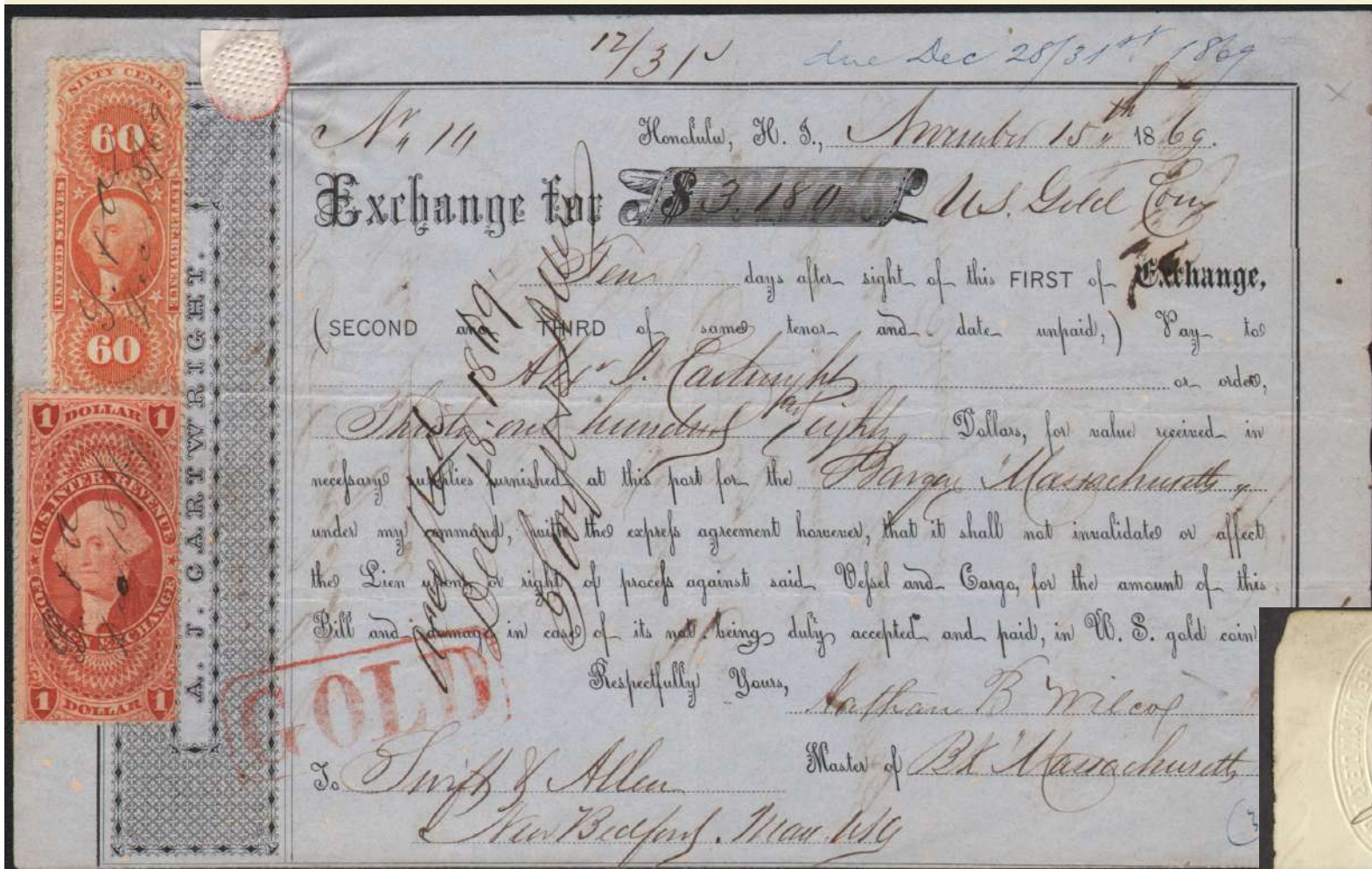
- payee handstamp “Eduardo David & Co. Guatemala” (beneath stamp);
- endorsement at Gand, Belgium with BANQUE DE FLANDRE large blue handstamp;
- endorsement to Philip Speyer & Co. of New York, with their oval handstamp on front.



#### 4.8 Hawaii: a Whaleman Sends Money Home

1866 First, Honolulu, by ship chandlers Bolles & Co., drawn on whaling factors Swift & Allen in New Bedford

A “remittance bill” for \$62.50, payable not locally but to Mary Huddy in New Bedford. Just as Wells Fargo and pioneered the selling of exchange to miners wishing to send money home (for a fee, typically about 3%), Bolles & Co. were evidently providing the same service to whalemen. Here is a rare case where money flowed into the U.S. via an incoming bill.

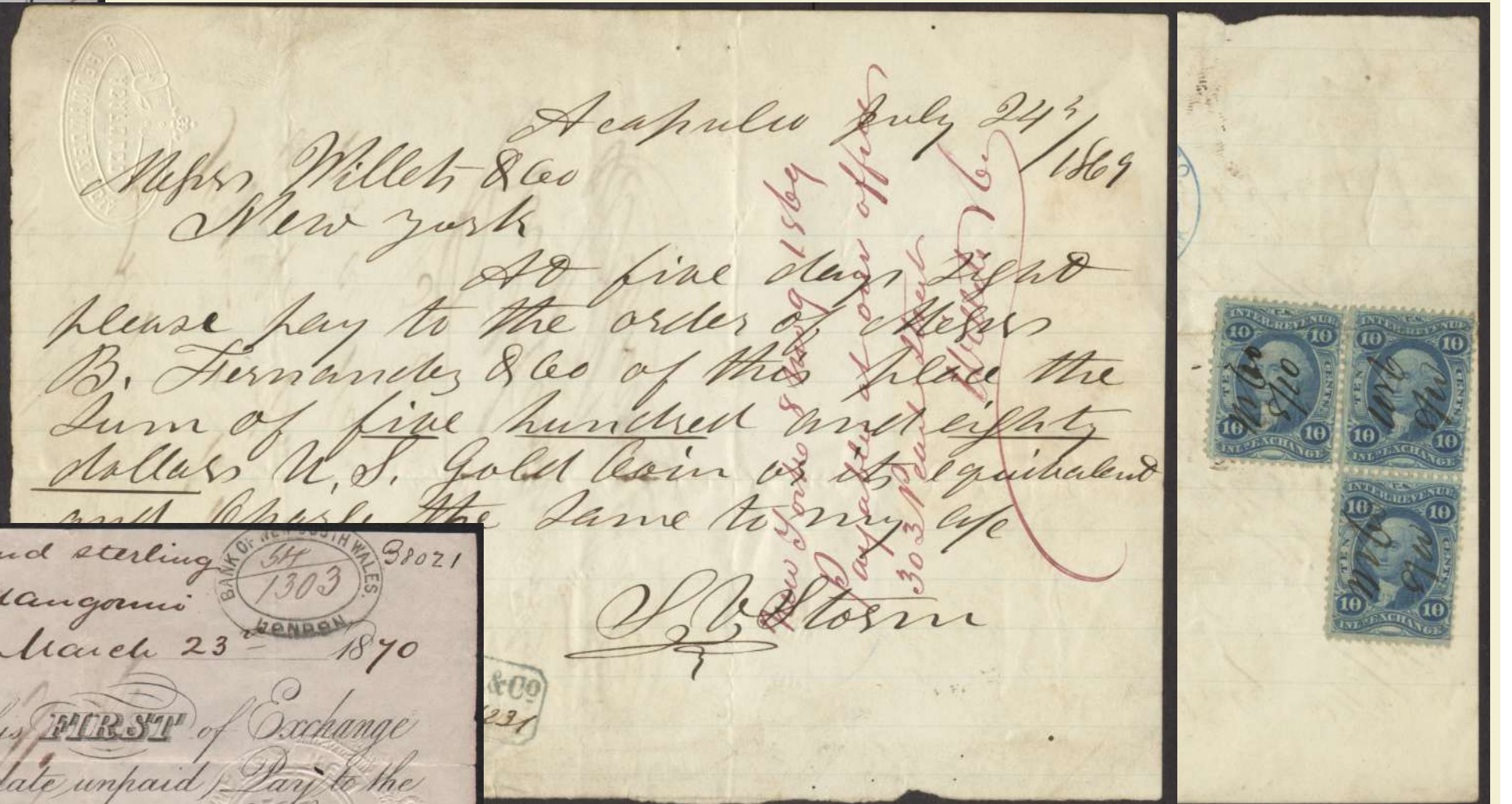


#### 4.8. Hawaii: “The Man Who Invented Baseball”; “The Disaster of 1871”

1869 First bill of merchant A. J. Cartwright, Honolulu, by master of whaling bark Massachusetts, drawn on whaling factors Swift and Allen of New Bedford, \$3,180, \$1.60 tax on acceptance

Nine incoming bills from Hawaii recorded

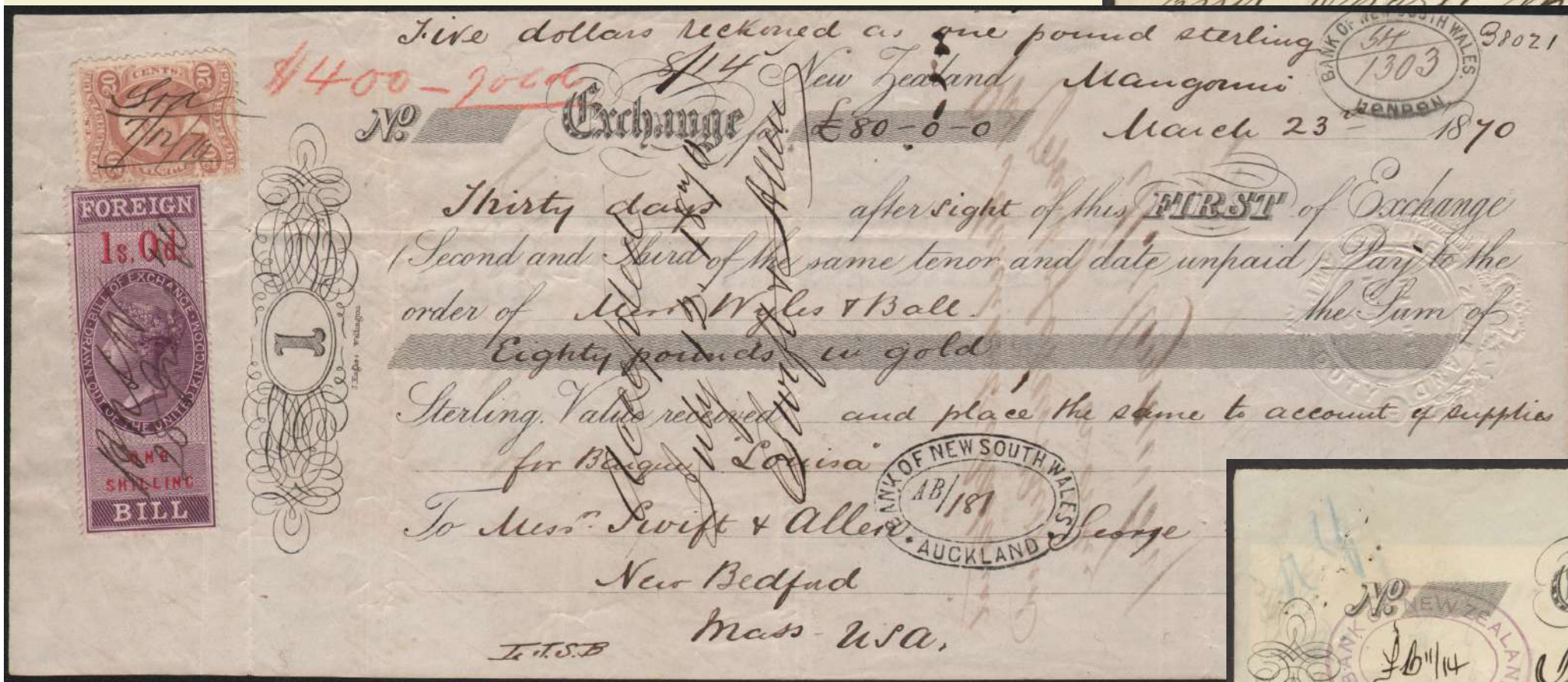
Alexander Cartwright, “founder of modern baseball,” had emigrated from New York; signed three times by him. The “Massachusetts” would be lost in the “Disaster of 1871,” when 32 whaling ships became trapped in ice off the coast of Alaska and had to be abandoned.



#### 4.9 Mexico

##### Sole recorded incoming bill from Mexico

1869 time draft, Acapulco, Mexico, on New York, \$580, on acceptance 30¢ tax paid



#### 4.10 New Zealand-Great Britain-U.S. Triple-Nation Combination!

##### Two triple-nation combinations recorded

1870 First bill of exchange made at Manganui, New Zealand, by master of whaling bark Louisa, amount £80 for supplies, drawn on whaling factors Swift and Allen of New Bedford

- At right side embossed “NEW ZEALAND STAMP DUTY” 8d stamp paying tax of 4d per £50
- Deposited at Auckland branch of the Bank of New South Wales, then at their head office in London, with Great Britain Foreign Bill 1857 1s adhesive affixed, paying Britain’s tax on incoming bills above £75 to £100.
- Upon acceptance Swift & Allen figured the dollar equivalent at \$400 and paid the requisite 20¢ tax with Inland Exchange 20¢.



#### 4.10 New Zealand Embossed and Adhesive Stamps

##### Unique triple combination

1871 First bill of exchange made at Russell, Bay of Islands, New Zealand, by master of whaling bark Louisa, amount £240.16.6 for supplies, drawn on whaling factors Swift and Allen of New Bedford

- At right side embossed “NEW ZEALAND STAMP DUTY” 1 shilling stamp. At 4d per £50, the correct tax was 1s 8d, underpaid by 8d.
- Paid to firm of Owen & Graham, who endorsed it to the Bank of New Zealand, Auckland, and paid the deficient tax with New Zealand Stamp Duty 1867 8d adhesive, with the bank’s oval handstamp nearby. Note the eye-catching displacement of the printed “EIGHT PENCE.”
- Upon acceptance Swift & Allen figured the dollar equivalent at \$1,172.86 and paid the requisite 60¢ tax with Second Issue 50¢ & 10¢.

#### 4.11 Puerto Rico

##### Two incoming bills recorded from Puerto Rico

1867 Second bill of exchange, Mayaguez, Puerto Rico, payable in New York, \$9,801.97 in gold, on acceptance \$5 tax paid by \$2.50 Inland Exchange (x2)

