

State Revenue Stamps of the USA

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The United States is comprised of fifty states and the District of Columbia. Its enormous size—around 3.6 million square miles—ensures a wide range of both geography and climate which in turn dictate the local sources of taxable wealth. At a highly simplified level the USA may be split into six ‘vertical’ strips, which, reading from west to east, comprise: a coastal belt consisting of a mixture of mountains and fertile valleys; the Rocky Mountains which until relatively recently formed a near-impenetrable barrier with the Great Plains; the Mississippi Basin, which drains the majority of the central area; another line of mountains—the Appalachians—and the relatively flat Atlantic coastal region. There are two ‘outliers’: Alaska, nearly half of which is inside the Arctic Circle, and the chain of volcanic islands in mid-Pacific called Hawaii.

The geology ranges from the rather boring to enormous and more or less accessible sources of useful minerals: coal, oil, iron and so on (plus well-known though quickly exhausted rich seams of precious metals). The climate ranges from temperate through wild annual swings between extremes to desert with obvious impacts on its suitability for various methods of food production. However, as the nation’s surface communications networks developed from the horse and cart (plus water-borne where relevant) through railways to the inter-State highways it became possible for cities or States to specialise and become national centres for, for example, meat processing (Chicago) or motor vehicle assembly (Detroit) or sunshine vacations/retirements (Florida).

Meanwhile, the Constitution of the USA centralises power over a few areas—notably the currency and the military (to prevent unseemly squabbles between States) and limited tax-raising powers to finance these—but otherwise allows the States each to have its own constitution and taxing powers. The sheer diversity of potentially taxable goods or services consequent on the diversity of the geography, geology and climates of the various States has led to a truly incredible diversity of taxes and the stamps used over the years to collect them. What is taxed also differs wildly from State to State, or even at the county or municipality level, depending on the local politics, so that ‘liberal’ localities might tax some things lightly (or not at all) while ‘conservative’ localities might apply punitive taxes (or declare the things or activities illegal).

These stamps come in all the forms you find for other stamps—paper stamps, decals and meter marks as well as tags which are used on products like animal feed and fertilizer where a stamp does not work well, and even brass ‘flags’ poked into bales of cotton. This article is designed to give an overview of the areas taxed and show some of the stamps. Some subjects are nigh-on universal, others restricted in place or time, so that a high proportion of issued stamps are extremely rare. The fascination is on-going!

From the viewpoint of the collector, these stamps have the advantage that they are comparatively cheap compared to postage stamps and even US ‘national’ revenue material. In addition, discoveries are never-ending as States are always coming up with new ways to remove money from their citizen’s pockets, and most of the stamps issued were not well studied at the time and places they were in use.

Gambling

The first State revenue stamps (ignoring the embossed stamped paper of the early colonial period) were handstamps used in Maryland on lottery tickets from 1840-1860 (Fig. 1). In this early period lotteries were often used to raise funds for public improvements such as

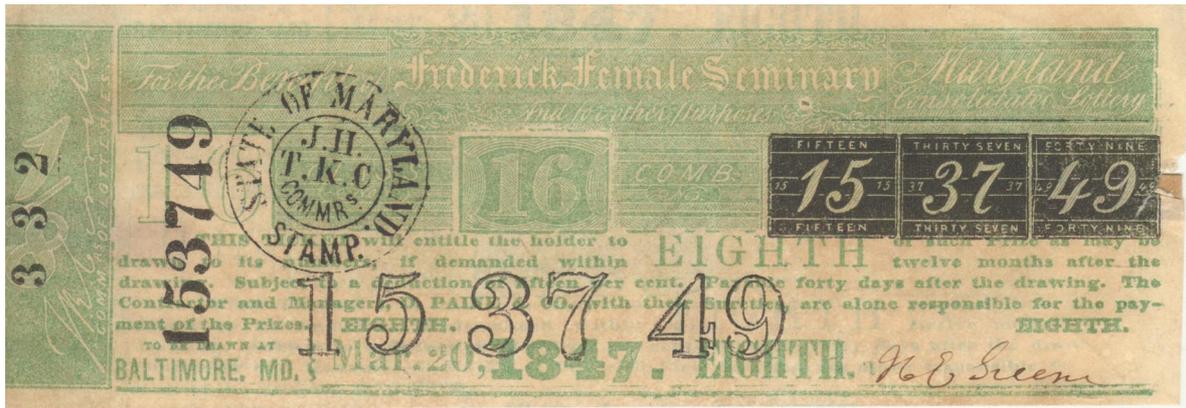


Fig. 1 March 20, 1847 black circular Maryland tax handstamp on a Lottery Ticket raising money for the Frederick Female Seminary (courtesy Dave Wrisley)

canals, libraries, and bridges. In 1866 Louisiana issued paper stamps for lotteries run in their state—these lotteries were notably corrupt—Fig. 2 shows an 1866 example featuring a Masonic symbol; the stamps were applied to the lottery tickets and are rarely seen (this one courtesy Dave Wrisley). Lotteries fell out of favour by the 1870's and most organised gambling was banned by the States—which didn't, of course, stop private betting on card games or which raindrop would be first to the bottom of the window.



Fig. 2

As things loosened up later, the taxation returned. Thus several States including Montana, Idaho and Washington State allowed punchboards and taxed these. On a punchboard, there was a large array of holes, each of which had the possibility of a prize (Fig. 3 shows a 1948 tax stamp from Montana, courtesy Dave Wrisley). You would pay your money and punch out the holes and a slip of paper would tell you what you won (usually nothing). In Nebraska they had a similar device called a pickle card which they began taxing in 1985 (Fig. 4). Some states also taxed trade stimulators, devices which tended to pay off with something non-monetary in nature. I have seen trade stimulators where it paid off in pretzels—these were often found in bars.



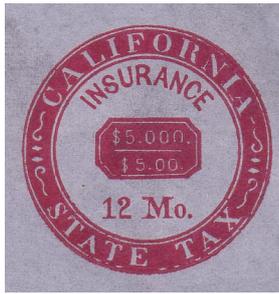
Fig. 3



Fig. 4 1985 Nebraska self-adhesive pickle card stamp on the bottom of a pickle card

Documentary Taxes

Taxing legal documents was an idea that came from the British. After all, the much hated stamp taxes were one of the causes of the Revolutionary War. After Independence (1783) the Union (and some States) re-introduced somewhat similar taxes with similar embossed stamps and then, in order to finance the Union side of the Civil War, in 1862 President Lincoln introduced a very wide-spread array of taxes, each with its own stamps. Most appropriations related to 'documents' of various types, and a 'catch-all' set of Proprietary stamps was used on matches, medicines, playing cards and all manner of other things. [See



Figs 5, 6, 7 California Insurance; Alabama Documentary; Virginia Marriage Licence

A Catalog of United States Revenue-Stamped Documents of the Civil War Era by Michael Mahler, ARA, 1999 for a beautifully illustrated compendium of the federal stamps and their usages]

Meanwhile, beginning in 1858, California began taxing a wide variety of documents including bills-of-lading, exchange notes, insurance (Fig. 5—this \$5 stamp paid the tax due on \$5,000 worth of insurance for 12 months), boat passenger tickets, and even certificates that a person was an attorney-at-law.

Alabama in 1866 began issuing stamps for recording deeds, called “Tax on Seals” (Fig. 6—“Seals” as in wax or embossed authenticating marks, not the aquatic mammals); Oregon in 1871 began taxing insurance policies: since almost everything came in by boat or wagon train it was wise to have shipping insurance. Virginia’s 1900 tax on notary seals produced large and beautiful stamps and later were used to tax marriage licenses (Fig. 7—the years of usage for these stamps have yet to be established). Maryland taxed the recording of deeds with ‘recordation’ stamps (this was the purpose of the documentary stamps issued by many of the states).

Alabama and Mississippi had special “mineral documentary” stamps for use on deeds involving mineral rights. Several states had stamps for the transfer of stocks and bonds—New York with its New York Stock Exchange began taxing these transactions as early as 1905 (Fig. 9; the faint purple overprint is “100”). Pennsylvania, Massachusetts and Texas also had stock transfer stamps.



Fig. 9

“Sin” Taxes

The easiest—and one of the most productive in terms of tax revenues—things to tax are those considered sinful. This included all tobacco products: cigars (Fig. 10), cigarettes (Fig. 11), smoking tobacco, snuff, and even related items such as roll-your-own cigarette papers and cigarette vending machines. All States produced ranges of stamps of various shapes and sizes suited to the various types of packaging, though unsurprisingly North Carolina and Maryland, which produce most of the tobacco used in cigarettes, were notoriously slow to tax anything to do with their major cash crop.

Almost equally widespread are taxes on alcohol in its various forms (though for some



Figs 10, 11
Mississippi 1920 Cigar stamp
1950s North Dakota cigarette decal

reason Connecticut, Massachusetts, New Jersey and Vermont didn't issue special stamps). Almost every form of beer, wine or liquor got taxed and these are the most popular State revenues to collect since it is not difficult to build up a considerable collection which is full of interest. At the same time some of these stamps are amongst the rarest of all USA revenues. The late E S A (Bert) Hubbard was both a collector and a dealer of this (and other) material and his trade stock and personal collection was dispersed by Nutmeg Stamp Sales in July 2005. The auction catalogue ran to no fewer than 463 pages with 8210 lots! [Hubbard was a founder member of both the American Revenue Association and the State Revenue Society with Roll No 1 in both cases]



Fig. 12 1930s Pennsylvania Beer stamp



Fig. 13 1938 beer bottle label with integral Utah tax 'stamp'

Beer stamps are particularly large and showy and tend to be well engraved (making them harder to counterfeit) (Fig. 12). Stamps in a wide variety of formats were used to match the containers from barrels and kegs down through to cases and individual bottles or cans. In several states, notably Pennsylvania and Utah, the beer companies could include the state tax seal when printing their own beer bottle labels and neck labels (Fig. 13). Methods of collection varied and beer might not be taxed locally if it was produced in the State for sale in other States. For example, Washington State had special 'no tax' "Beer in Transit" stamps to help the local brewers sell outside the State. Pennsylvania and Delaware had reciprocal agreements to keep their beer cheap.

And let's not forget malt, which during the Great Depression years in particular, was



Figs 14, 15 1937 North Carolina Fortified Wine stamp
1967 Oklahoma stamp for 3 Gallons (= 1 case) of Sparkling Wine



used as a component of home-brewed beer.

The States varied all over the place in taxing wine with different rates for different alcohol contents and for different places of origin—imported wines were often deemed ‘luxuries’ and taxed accordingly. North Carolina had fortified and unfortified wine (Fig. 14). Nebraska called it fortified and light. Texas had “Natural”, “Not over 14%”, “Not over 24%” and “Over 24%”. Louisiana called fortified wines “still wine” and along with Oklahoma and the District of Columbia taxed “Sparkling Wines” or champagne differently (Fig. 15)...

Illegal drugs also come under the sin tax category. Many States issued marijuana or controlled substances stamps in the 1980’s in an effort to catch drug dealers (Fig. 16 shows a \$10 example from Texas—the denominations ran up to \$100,000), though many of these laws were short lived as courts struck them down due to “double jeopardy” or giving two penalties for the same crime, meanwhile in other places limited usage of marijuana is permitted for medicinal purposes. Other States still have them as they allow anonymous purchasing of the stamps. North Carolina has now added moonshine to the illegal products subject to taxation.

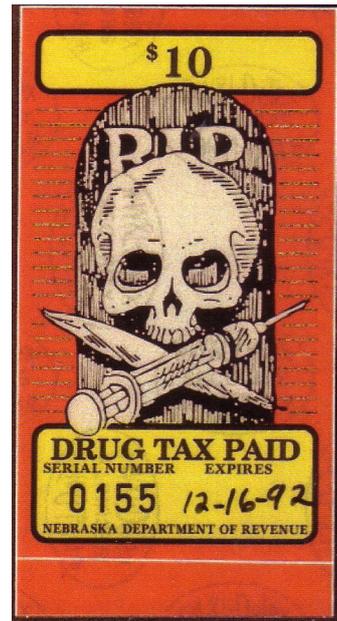


Fig. 16 Texas ‘Controlled Substance’ stamp

Inspections

Inspections were done by the States for two reasons. The first was consumer protection and the following list is not exhaustive but gives an idea of the range of items inspected and the reasons inspections were introduced:

- Animal feeds were inspected to insure nutritional value (some folks were not above putting sawdust or worse into the feed); the ‘stamps’ varied from entire baggage-type tags to handstamps on the tags or adhesive stamps also applied to the labels (Fig. 17)



Fig. 17 Tennessee Feed Inspection, 1937



Fig. 18 1968 Oklahoma Egg stamp



Figs 19, 20 North Carolina
1949 Bedding stamp and
1940 Dog Food Inspection



Fig. 21 Missouri Kerosene stamp (1913)—the inspections were in operation
from 1909 to 1937

- Eggs were inspected for size and quality (Fig. 18)
- Bedding was inspected as people were stuffing mattresses with all kinds of unsavory things or offering improperly sanitised second-hand bedding (Fig. 19)
- Fertilizer was inspected to ensure you were getting something that actually improved the ground
- North Carolina inspected dog food after some bad stuff killed folks' pooches (Fig. 20) other States used generic feed inspection stamps/tags
- Sweet potatoes are inspected in southern states to prevent the spread of the potato weevil
- Kerosene got inspected in Missouri and North Carolina to ensure it would not blow up (Fig. 21); Missouri also inspected gasoline
- Soft drinks in Missouri were inspected for purity of water and ingredients, and
- Several States inspected seed for germination rates.

In many of these cases the States used stamps in one form or another to collect inspection fees for providing these services. Another form of consumer protection comprised the inspection of scales and meters to ensure that customers were not being sold less than they were paying for; in this case stamps or seals were applied to the measuring devices.

The second reason for inspection was to ensure that high quality products were being delivered especially if the State was known for the product and had its reputation to maintain. Examples include:

- Linseed oil from North Carolina which is a major supplier (Fig. 22)—inspected for purity



Fig. 22 1922 North Carolina Linseed Oil stamp

- Apples and fruit from Washington State and Michigan; the Washington stamp in Fig. 23 would apply to an entire truck-load and was applied to bills of sale or equivalent documents (apples are a major source of revenue for the state)
- Potatoes from Idaho and seed potatoes from Maine
- Citrus fruit from Florida.



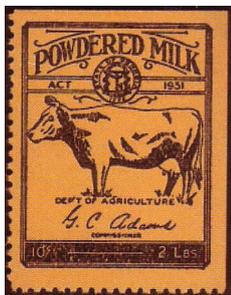
Fig. 23
1951-60 Apple stamp

In these cases the stamps had the dual purpose of receipting the inspection charges and acting as an official guarantee of quality. The charges could also be used to finance generic marketing campaigns.

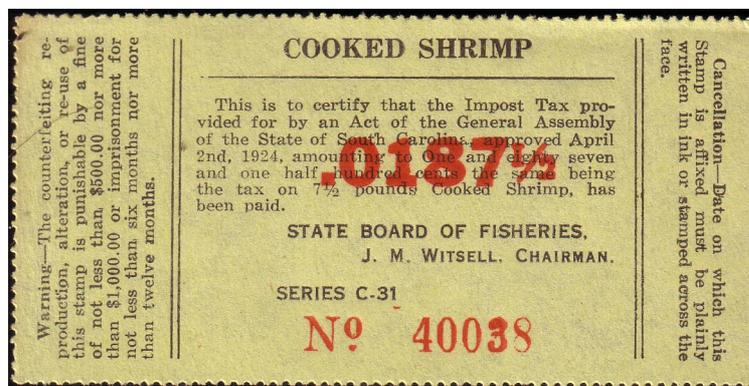
Taxing the Novel

As States are forever on the look-out for new things to tax, they have often picked on “new-fangled” products, especially if the products affect interest groups in the state. Oleomargarine, when it was introduced, threatened the dairy industry. So many States, especially those with powerful dairy farmers, taxed it, and Georgia had a short-lived tax on powdered milk (1951—Fig 24).

South Carolina taxed seafood taken from its shores (crabs, oysters, shrimp, even shad fish and terrapins); Fig. 25 shows a 1931 stamp for cooked shrimp. Georgia did the same. South Carolina used their business license stamps for a time on electric lamps. California have had tax stamps for reporting termite inspection results [see the note by Joe Ross on p.64 of the September 2010 *Journal*] or for getting information from the Department of



Figs 24, 25



Motor Vehicles.

Colorado had stamps for taxes on state medical laboratory results which covered everything from water purity tests, pre-marital blood work [??], strep infection and sexually transmitted diseases (Fig. 26). California and Florida have stamps for water vending machines.

Fig. 26



Other Taxes

Missouri was mentioned for inspecting soft drinks for purity. In other States it was done as an excise tax just to gain revenue—Louisiana, Pennsylvania, South Carolina and West Virginia used excise soft drink tax stamps for years. In each State defining what was a soft drink fell to the legislatures and so the variations in the laws are endless. Is iced tea a soft drink? How about chocolate milk? Or fruit juice? Some States didn't tax soft drinks if the State was the vendor (as at a State-run rest stop by a highway).

In States with "ad valorem" sales taxes, the question arose on how to tax products bought through vending machines. Arkansas and Oklahoma solved the problem by using vending tax stamps on the vending machines. These could be found on machines selling everything from soft drinks through bubble-gum to prophylactics. The State estimated what the average machine brought in and taxed the machines accordingly, thus bubble-gum machines in Oklahoma were taxed ten dollars a year while a soft drink machine was \$50 a year. Oklahoma even has special stamps for machines set up for a short time, for example during fairs and carnivals.

Other states taxed juke boxes or "music machines" (Arkansas and Oregon). Some taxed "amusement games" (Oregon and North Carolina) and Texas even taxed pool tables in pool halls for a while.

Fish and Game

Like the United States federal government, most States issue 'permission' stamps for hunting and fishing that have to go on State licenses. Some of these are quite unusual and are, sadly, prepared as much with an eye to the collector market as to controlling hunting and fishing. North Dakota offers husband and wife fishing licenses (Fig. 27). New Jersey gives reduced rate stamps to war veterans. South Dakota had stamps that would let you shoot elk (Fig. 28), big horn sheep or whistling swans. Texas has beautiful archery stamps. Idaho has fishing stamps that allow the use of an extra fishing rod.

Several states have stamps for hunting bears (Fig. 29 shows an example from Virginia for 'non-resident' or visiting hunters who are charged more for the privilege of hunting in Virginia). California even has dog training permits that allow the shooting of domestically reared game birds while training bird dogs (Fig. 30).



Fig. 27

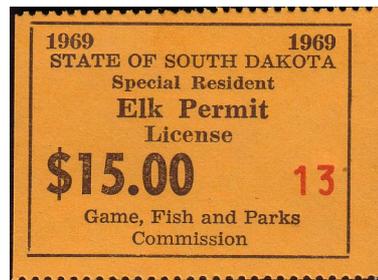


Fig. 28



Fig. 29



Fig. 30

This is by no means an exhaustive list—I haven’t mentioned motor vehicle taxes and associated wind-shield stickers or licence plates, nor opium, nor cacti, nor buildings licences, nor maybe fifty other things or activities which have at one time or other attracted the attention of the tax-collectors in one or more States. In addition, “State revenue collecting” usually also includes collecting stamps from the various towns, counties and municipalities that have from time to time produced tax stamps to receipt local taxes. Then add to that some 482 different Indian tribes that issue stamps on everything from cigarettes to prairie dog hunting and you can see what a huge field it is.

Sources of Information

It is disappointing to have to report that there is currently no comprehensive catalogue to which I can refer collectors. In 1960 ‘Bert’ Hubbard produced the first ‘modern’ listing which was followed by a series of supplements either free-standing or within *State Revenue News*. A new edition appeared in 1990 with updates in subsequent years and various authors have produced listings for individual States or subjects; in addition new discoveries are reported on a regular basis in *SRN*. Some aspects have from time to time been discussed in *The American Revenuer* and even *The Revenue Journal*. It is hoped to have our new edition, edited by David Wrisley in paper and CD/DVD format available in 2013.

Most of these sources are out of print, so, a few years ago, I and colleagues from the State Revenue Society began the monumental task of pulling all of this information together with the objective of producing a new listing by the end of this year. Individual contributors have accepted responsibility for specific States and, as each section becomes ‘complete’, it is posted on our website <<http://staterenue.org>> for comments so that, so far as possible, the eventual published version doesn’t get welcomed by a blizzard of “But why didn’t you mention xxxx?” messages. The sheer diversity of these stamps means that even modest—even ‘accidental’—collections have a moderate chance of including something previously unrecorded, and I would beg of you to check your US State revenue holdings against the on-line listings and alert us to anything we should include.

The Author and the State Revenue Society

Scott Troutman is the editor of many years of *State Revenue News*, the journal of the State Revenue Society. He collects stamps issued by the states of North and South Carolina, Pennsylvania and Oklahoma and soft drink stamps. He edited the 1990 version of the *SRS Revenue Catalog*, currently out of print.

Information about the State Revenue Society may be found on their website. Most issues of their quarterly magazine (now in its 50th year) have a ‘theme’—the most recent to hand majors on ‘Tags’—labels applied bags of seed or feed, plus a miscellany of all manner of odds and ends. [See “Reviews”] The Society also holds regular postal auctions of State revenue material with typically around 400 lots, mostly sold for just a dollar or two.