

An Introduction to Military Payment Certificates

A while back, I was given a pamphlet that discussed the basic history of Military Payment Certificates. I flipped through it a few times and quickly assumed that Military Payment Certificates (MPCs) were rare, expensive, and certainly not something I could afford. I set the pamphlet aside. A few weeks later I decided to find out exactly how much MPCs would cost. I did some research and was astonished to find that a large percentage of them could be obtained for under \$20! Since then, I've been researching MPCs extensively. This is what I've turned up.

For years it was the tradition to pay United States military personnel with whatever currency was available, depending on the country in which they were stationed. However, during WWII, citizens of countries with weak economies often favored holding U.S. dollars instead of their own rapidly inflating currency. They would happily exchange their currency for United States dollars, and would often do so with U.S. soldiers. The soldiers then could go spend their local currency at shops in town, or convert their local currency at military exchanges into U.S. dollars. The latter happened so many times that the U.S. military soon had millions of excess dollars in foreign currency. Obviously, this couldn't keep happening. To solve this problem, a special type of paper money was created, its purpose to circulate only within United States military establishments overseas and to halt the active black market for United States dollars. These Currency notes were called Military Payment Certificates.

MPCs consisted of 15 different series (including Series 691 and 701, which were printed but not issued) with each series being

replaced by the next when they began finding their way into the local economy via the black market. MPCs were issued in denominations of 5¢, 10¢, 25¢, 50¢, \$1, \$5, and \$10. 20 dollar MPCs were also printed in the last 5 series, starting with Series 661.



MPCs could be used to buy items from United States military establishments (as stated on the notes themselves). However, if men in the

service wanted to purchase something in a local store near where they were stationed, they could exchange their MPC into the local currency. However, they could not exchange any foreign money they had back into MPC or U.S. dollars. This was to prevent the United States military from accumulating large amounts of foreign currency via the black market.

As I said earlier, when a series of MPC began to find its way into the local economy, that series was redeemed for a new series on a highly classified conversion day often called C-Day. As only military personnel were allowed to hold and exchange MPCs, locals, in favor of U.S. dollars and who had illegally accepted MPC as payment for their merchandise, were stuck with now worthless paper. Sometimes these individuals would try to get a soldier to convert their MPC for them, however, records were kept of the soldiers pay record and several extra hundred dollars would definitely be under suspicion from the conversion officers. Often citizens angered over their loss would attack nearby military bases in retaliation the following night. Many of the

surviving higher denomination notes came from individuals who were unable to exchange their MPC on conversion day.

The first seven series of MPCs (461 through 591) were printed either by the Tudor Press Incorporated or the Forbes Lithograph Corporation, both of which were located in Boston. The last six series of MPCs (611 through 701) were printed by the Bureau of Engraving and Printing (BEP) in Washington, DC. Unlike most forms of United States paper money, MPCs were printed using lithography instead of intaglio methods. Also unlike regular U.S. paper currency, they were printed on paper with small colored planchettes. MPCs were printed on different sized sheets, with 84 notes per sheet for fractionals, 70 for one dollar notes, and 50 for 5 dollar notes and higher. Occasionally errors were produced in the making of MPCs , and, when these were found, were destroyed and replaced by specially

printed notes called “replacement notes.” These replacement notes are identified by the omission of the serial number suffix.



\$20, \$10, and earlier \$5 MPCs are the same size as modern federal reserve notes; however, the later \$5 notes are slightly smaller, and all \$1 notes and fractional MPCs are much smaller. Their exact sizes are 110 x 54mm for fractionals, 110 x 66mm for \$1’s, 135 x 66mm for later \$5’s, and 156 x66mm for \$20, \$10, and earlier \$5 MPCs.

After MPCs had been printed and the sheets separated, they were strapped in packs of 100, with all of the notes' serial numbers in sequential order. Later, 40 of these packs would be wrapped in a large bundle and placed in a cardboard box, with a label identifying the series, denomination, and serial numbers of the notes inside attached to the outside of the box. Several of these cardboard boxes could then be placed in a larger wooden box. That is how Military Payment Certificates were shipped to many different parts of the world.

The first Series of MPCs , 461, was issued September 16, 1946, and was withdrawn March 10, 1947.

Although in use for only about six months, the higher denominations of this series are quite common. This is most



likely because many people were still getting used to the idea of using this new currency and were unaware of the strict rules of conversion day. As a result, many people were stuck with these notes. The \$10 denomination of this series also has a larger production than any other \$10 MPC.

The second Series of MPCs, 471, was first issued on March 10, 1947, and was withdrawn March 22, 1948. The notes of this series have the same designs as the preceding MPC series; however, the colors of the notes are different. Also, the serial numbers, series designation and sheet position number were printed in dark blue ink, which is unique to this series. The notes of this series are much more scarce than those of Series 461, especially the larger denominations.

For example, a \$10 note of Series 461 is worth about \$25 in fine condition. However, a \$10 note of Series 471 would probably cost over \$200. The 5¢ and 10¢ denominations of Series 471 can easily be obtained for under \$10 in fine condition.

The third issue of MPCs, Series 472, was first issued on March 22, 1948, and was withdrawn June 20, 1951. This series is a little more attractive than the preceding two series, with the Great Seal enlarged and a few design elements borrowed from allied military currency. The lower denominations of this series may be purchased for \$2 - \$10 in fine to very fine condition. However, the \$5 dollar denomination is rather pricy, and may be purchased for \$150 in fine condition.

The fourth series of MPCs, Series 481, was first issued on June 20, 1951 and was withdrawn on May 25, 1954. This series is much more attractive than the previous, due to the inclusion of the vignettes *mechanics* on the face of the higher denominations, *composition and reflection* on the \$1 notes, and *commerce* on the fractionals. Most of the fractional notes may be purchased for



\$2-\$20, depending on denomination and condition. However, the larger notes of this series are a little more expensive.

The fifth Series, 521, was first issued on May 25, 1954, and was withdrawn on May 27, 1958. This is the first series where most of the notes are truly very attractive. Again, all of the lower

denominations are easily obtainable for under \$20. However, the \$5 and \$10 denominations are obtainable for about \$125 and \$300 in fine condition.

The sixth Series, 541, was first issued on May 27, 1958, and was withdrawn on May 26, 1961. This is another attractive MPC series, and although most of the notes of this series are inexpensive, the famous \$5 notes of this series are worth well over \$1,000 in fine condition.

The seventh Series, 591, was first issued on May 26, 1961, and was withdrawn January 6, 1964. This is another series with attractive notes. Although this series is rather expensive overall, the 5¢ and 10¢ notes are often available for under \$10. The 25¢ replacement note of this series is unique, and has sold for over \$20,000. I probably won't be adding this one to my collection any time soon.

The eighth Series, 611, was first issued on January 6, 1964, and was withdrawn on April 28, 1969.



All of the lower

denominations of this series are not budget breakers, however, the \$5 and \$10 denominations may be purchased for about \$100. The \$1 note of this series is probably the most common MPC in replacement form, as there are over 200 known.

The ninth Series, 641, was first issued on August 31, 1965, and was withdrawn October 21, 1968. This is the first series of MPCs used only in Vietnam. This is also one of the most common and longest used MPC series. The fractional denominations are so common in uncirculated conditions that, for example, a 5¢ note may be purchased in this grade for only \$9 or so.

The \$1 and \$5 notes are also common, and are obtainable for about \$4 and \$18, respectively, in fine condition. The \$10 notes are worth only about face value in fine condition. However, many counterfeit \$10 notes are known for this series.



The tenth Series, 651, was first issued on April 28, 1969, to replace Series 611, and was withdrawn November 19, 1973.

This series has some rather peculiar facts, such as the fractional denominations withdrawal only a few days after they were issued. This series' designs are an exact replica of Series 641's; however, the colors of the notes were changed and a standing Minuteman vignette was added on the left end of each note. The higher denominations of this series remained in use for about four and a half years, the longest time any MPC series remained in use. The \$1, \$5, and \$10 notes are not too expensive. However, obviously, the fractional notes may cost from \$100 to \$500 each, depending on condition and denomination.

The eleventh Series, 661, was first issued on October 21, to replace Series 641. It was used only in Vietnam and was withdrawn August 11, 1969. This is another attractive and available series of MPCs, and is also the first series to have \$20 note. All of the lower denominations may be purchased for under \$16; however, the \$10 and \$20 denominations are rather scarce.

The twelfth Series, 681, was first issued on August 11, 1969, and was withdrawn October 7, 1970. This series was popular with people in the military, as the vignettes on at least one side of each note of every denomination honored United States military personnel. Although not as



common as Series 641 or 661, all of the fractionals (excluding the 50¢ notes) and the \$1 notes of this series may be purchased for \$3 to

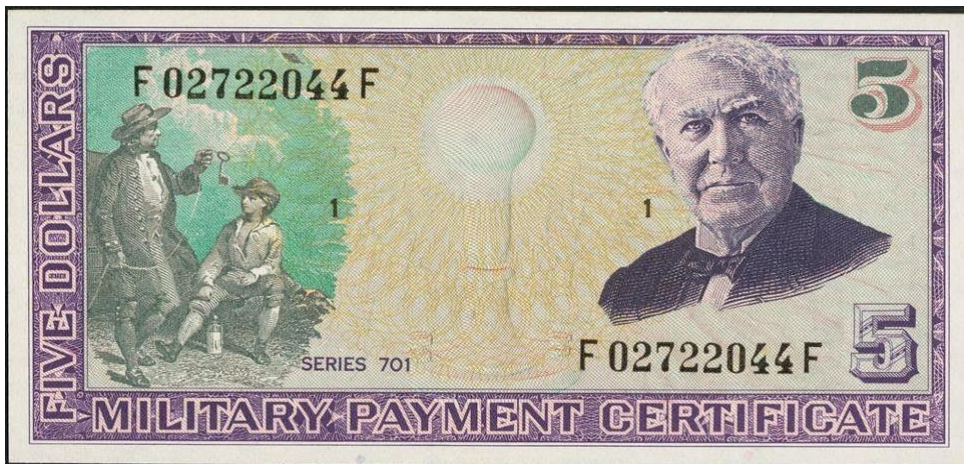
\$10, depending on condition. The higher denominations are a bit more scarce. However, these may easily be purchased for around \$50 in fine condition.

The thirteenth Series, 691, was intended to replace Series 651 in Korea. However, it was never issued and was shipped back to the United States. Later, testing was done on the notes and they were declared unfit for circulation and all of the notes (except for a relative few that escaped) were destroyed. A second printing was then prepared around 1984 and put in storage. It remained there for almost 15 years before it was decided that they would be destroyed. No fractional denominations were designed for this series. All notes of this series are a bit expensive, for example the cheapest note, the \$1, may be purchased for a minimum of \$150.

The fourteenth Series, 692, was first issued on October 7, 1970. The fractionals of this series were withdrawn June 1, 1971, and the larger denominations on March 15, 1973. This is the last series of MPCs to be used. The fractional denominations were no longer needed and were withdrawn and replaced by U.S. coins on June 1, 1971. Most of the notes of this series are quite

attractive, and are obtainable for reasonable prices, with the exception of the \$10 note which may cost over \$100 in fine condition.

The fifteenth Series, 701, was intended for use in Vietnam but never issued. Again, some of the notes were shipped to Vietnam, not used and sent back to the United States. Attractive



fractional notes featuring Mark Twain were printed; however, after the removal of the fractional notes of series 692 from circulation, it was seen that fractional notes weren't needed and all of the Series 701 fractionals were destroyed. No circulation-quality notes are known, only a few specimens. Some of the \$1, \$5, \$10, and \$20 denominations escaped government control and are available for over \$1,000.



Although MPCs aren't the most widely collected item right now, I still find their history, beauty, and involvement with our troops fascinating. I think they are a great investment in time and money, and I hope others will find this article useful.

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