

ONE PENNY STAMPS.

A

POPULAR EXPLANATION

OF THE STATUTE REQUIRING A

STAMP DUTY OF ONE PENNY

OR

RECEIPTS AND ORDERS FOR
MONEY.

AND OF

SOME PROVISIONS OF FORMER ACTS BEARING THEREUPON;

With a Schedule of Stamp Duties.

PUBLISHED BY AUTHORITY OF THE COMMISSIONERS OF INLAND REVENUE.



LONDON:

PRINTED BY GEORGE E. EYRE AND WILLIAM SPOTTISWOODE,
PRINTERS TO THE QUEEN'S MOST EXCELLENT MAJESTY,
FOR HER MAJESTY'S STATIONERY OFFICE.

1853.

[Price One Penny.]

The Public are requested to take Notice, that distinct Stamps
are prepared, having thereon respectively the Word

POSTAGE. RECEIPT. DRAFT.

And that no Stamp can be legally used except for the purpose
so expressed.

PENNY STAMPS.

Numerous applications have been made to the Commissioners of Inland Revenue on various questions relating to the stamp duties on receipts and orders for money granted by an Act of the last session.

The Commissioners consider it advisable to print a short statement, referring to the principal points on which their opinion has been sought, hoping thereby to afford general and correct information, and to promote the convenience of the public.

RECEIPTS.

The stamp duty payable upon a receipt given for any sum of money amounting to 40s. or upwards is 1d., to be paid by the person giving the receipt. The receipt may either be written upon stamped paper, or an adhesive stamp may be affixed to the paper upon which it is written; but in the latter case the person giving the receipt must himself cancel the stamp by writing his initials, or some portion of his signature, over it, before he delivers it, under a penalty of 10l. A receipt cannot be made valid afterwards by affixing a stamp.

A person giving a receipt for money amounting to 40s. or upwards without a stamp subjects himself to a penalty of 10l.; and if, when 40s. or upwards is paid, a less sum than 40s. be specified in the receipt with the view to avoid the duty, or any other contrivance or device be used for the like purpose, a penalty of 50l. will be incurred.

A PARTY REFUSING TO GIVE A RECEIPT INCURS A PENALTY OF 10l.

ANY NOTE, MEMORANDUM, OR WRITING WHATSOEVER GIVEN UPON THE PAYMENT OF MONEY, SIGNIFYING THAT AN ACCOUNT HAS BEEN DISCHARGED, OR THAT MONEY HAS BEEN PAID, OR CREDIT GIVEN, IS A RECEIPT LIABLE TO STAMP DUTY. If, THEREFORE, THE PERSON RECEIVING MONEY WRITE, OR BY MEANS OF A STAMP IMPRESS UPON ANY BILL OF PARCELS OR INVOICE THE WORD "PAID," "SETTLED," "BALANCED," "DISCHARGED," OR ANY WORDS OF A LIKE IMPORT, INTENDED TO SIGNIFY THE PAYMENT OF MONEY, HE MUST AT THE SAME TIME, IF THE PAPER BE NOT ALREADY STAMPED, AFFIX THERETO AN ADHESIVE RECEIPT STAMP, AND CANCEL THE SAME BY WRITING HIS INITIALS OR SOME PORTION OF HIS SIGNATURE THEREON. If HE OMIT SO TO DO, HE WILL INCUR A PENALTY OF 10*l.*, AND THE MEMORANDUM WILL BE OF NO AVAIL TO THE PERSON TO WHOM IT IS GIVEN.

Entries made by persons receiving money in PASS BOOKS kept by the persons paying the money, are receipts; and for every such entry made without affixing a stamp, and writing over the stamp, as herein-before stated, where the payment amounts to 40*s.* or upwards, a penalty of 10*l.* is incurred.

On every occasion when money amounting to 40*s.* or upwards is paid, whether it be on a sale by auction or other ready money dealing, or the payment of wages, or on a transaction of any other kind or description, if any receipt be given it must be on a stamp; and so, likewise, must a receipt for money paid on account.

Receipts, discharges, or acknowledgments given upon payments made by or with bills, drafts, notes, or other securities are declared by law to be receipts chargeable with stamp duty. Any receipt, therefore, given on such an occasion, or any memorandum signifying that a bill, draft, note, or other security has been given or delivered in satisfaction or on account of any demand, must be stamped.

RECEIPTS UPON BILLS OR NOTES.

Receipts written upon promissory notes, bills of exchange, drafts or orders for the payment of money, duly stamped, or upon bills of exchange drawn out of but payable in the United Kingdom, are exempt from duty.

The receipts here alluded to are receipts for the money specified in such documents, given on the payment thereof. A special receipt, therefore, written on a bill or note when paid, intended to operate as a discharge of any particular demand, besides that arising on the bill or note itself, requires a receipt stamp.

Except in the case of bills drawn abroad, an unstamped receipt indorsed is valid only where the bill or note is duly stamped. A receipt, therefore, on an unstamped cheque, for the contents, is not valid without a receipt stamp. To make the cheque available as a voucher, it should be drawn payable to order, instead of to bearer, and a one penny draft stamp affixed thereto.

Where money due upon a bill or note is payable by instalments, the payments may be written off on the back of the bill or note by the holder; but if a receipt be given to the person making any such payment, it must be stamped.

LETTERS BY THE POST.

Letters by the post, acknowledging the safe arrival of any bills of exchange, bank notes, or other promissory notes, or other securities for money, are exempt from receipt duty; but if the receipt of money be acknowledged, a stamp is required.

The exemption is confined to the mere acknowledgment of the *safe arrival* of such bills of exchange, bank notes or other promissory notes or securities. It is not intended to give to the letter the effect of a discharge for

money, but simply to authorize the receiver of the securities to convey to the sender the information that they have reached the hands of the person intended. If, therefore, the letter of acknowledgment contain any intimation relating to the appropriation of the money represented by the securities, by signifying that credit has been given for the amount, or that it has been placed to account, it is no longer covered by the exemption, but becomes a receipt chargeable with stamp duty. Instead, however, of enclosing a separate formal receipt in any such case, it will only be requisite to affix an adhesive stamp to the letter of acknowledgment; at the same time cancelling it by writing the initials or a portion of the signature to the letter upon it.

The documents, the safe arrival of which may thus be acknowledged by post without a receipt stamp, are bank post bills, Bank of England and country bank notes, letters of credit, post office orders, cheques (stamped or unstamped), bills, drafts, and orders for payment of money of every description, whether due or not.

Where advice is given by letter to a person that money has been paid to his credit, a letter in return, merely acknowledging the receipt of the letter containing such advice, is not chargeable as a receipt; but any intimation that the money has been received is liable.

RECEIPT FOR TAXES.

By the recent Act, receipts for land tax, assessed taxes, and property and income tax, are exempted from stamp duty; but there is no exemption in any of the Stamp Acts of receipts for any other rates or taxes.

Special exemptions from receipt duty contained in Acts of Parliament are not affected by the recent Act.

DRAFTS OR ORDERS.

A bill of exchange, draft, or order for the payment to THE BEARER, OR TO ORDER ON DEMAND, of any sum of money, of whatever amount, whether drawn upon a banker (excepting as herein-after mentioned), or upon any other person is chargeable with the stamp duty of one penny, and may be written on stamped paper, or an adhesive stamp may be used.

All other bills of exchange, drafts, or orders AT OR AFTER SIGHT OR AFTER DATE, for the payment of money amounting to 40s. or upwards, are chargeable with stamp duty as heretofore. (See Appendix).

It is right, however, to state, that all negotiable or transferable drafts for sums under 20s. are illegal; when therefore a payment is intended to be made by draft of a sum under 20s., the draft should not be made payable either to bearer or to order, but only to the party in whose favour it is drawn. In any such case, if it be payable on demand it will require the penny stamp; if otherwise than on demand it will not require a stamp.

A draft or order payable generally, without reference to any stated period after the issuing of it, is payable on demand; and any draft or order, though not made payable to bearer or to order, is chargeable with the same amount of duty as if so payable, if it be delivered to the person in whose favour it is drawn, or to any person on his behalf.

PROMISSORY NOTES.

No alteration has been made in the duties on promissory notes, except that bankers' deposit notes or accountable receipts are not now chargeable with duty, notwithstanding they import that interest is to be paid.

The exemption in favour of these notes is not affected by reason of their containing any stipulation that the

money is not to be withdrawn for a specified period or without notice. (See Appendix.)

LETTERS OF CREDIT.

All documents or writings usually termed letters of credit are declared by law to be bills, drafts, or orders for the payment of money, and chargeable with stamp duty as bills of exchange, drafts, or orders.

A letter of credit payable on demand must be on a penny stamp; but if the credit be not given until a specified day, or until advised, it is a bill of exchange payable after date, and must be stamped accordingly. (See Appendix.)

CHEQUES ON BANKERS.

A cheque on a banker payable to *bearer on demand* is not liable to stamp duty, provided that it be issued within fifteen miles of the place where the banker carries on his business:

That the place of issuing be truly specified in it:

That it be dated on or before the day on which it is issued, and not after:

And that it do not direct the payment to be made by a bill or note.

The most frequent irregularity in regard to cheques is the issuing of them at a distance of more than fifteen miles from the banker on whom drawn. A cheque so issued is, if not stamped, illegal; and the person issuing it, and the banker knowingly paying it, incur the penalty of 100*l.* each; and the person knowingly receiving it in payment or as a security incurs a penalty of 20*l.*

The place at which a cheque is to be considered as issued is that where the drawer parts with the possession of it; and if it be transmitted by him through the post, the place of issuing is that where it is posted.

An unstamped cheque drawn and issued as above may be circulated at any distance from the place of issue without affecting its validity. Thus a cheque drawn in London upon a London banker may be sent by post from London to Glasgow, or elsewhere, and negotiated there for any period.

One of the objects in reducing the stamp duty on certain drafts to one penny, and in providing adhesive stamps, was to enable persons residing at a distance from their bankers to conform to the law at little expense and with perfect convenience. Persons residing beyond the distance of fifteen miles from their banker, whether such residence be occasional or permanent, ought to be at all times provided with stamps, as any infraction of the law subjects them to a penalty.

A draft irregularly issued cannot be afterwards made valid by affixing a stamp to it.

The object and effect of crossing a cheque with the name of a banker seem to be much misunderstood, enquiries being frequently made of the Board respecting the practice, in reference to the receipt stamp duties. A cheque is not in any way affected by being thus crossed; the crossing merely amounts to a request to the banker not to pay the cheque, except through a banker; but this request he may altogether disregard; it does not and is not intended to import a receipt, and neither creates a necessity for a stamp, nor makes a stamped receipt unnecessary.

APPENDIX.

STAMP DUTIES ON RECEIPTS, BILLS OF EXCHANGE, DRAFTS,
OR ORDERS.

	Duty.
	£ s. d.
RECEIPT or Discharge, given for or upon the payment of money, Amounting to 2l. or upwards	0 0 1
<p>And any note, memorandum, or writing whatsoever, given to any person for or upon the payment of money, whereby any sum of money, debt, or demand, or any part of any debt or demand therein specified, and amounting to two pounds or upwards, shall be expressed or acknowledged to have been paid, settled, balanced, or otherwise discharged or satisfied, or which shall import or signify any such acknowledgment, and whether the same shall or shall not be signed with the name of any person, shall be deemed and taken to be a receipt for a sum of money, and shall be charged with a duty accordingly.</p> <p>And all receipts, discharges, and acknowledgments of the description aforesaid, which shall be given for or upon payments made by or with any bills of exchange, drafts, promissory notes, or other securities for money, shall be deemed and taken to be receipts given upon the payment of money.</p>	
<p>EXEMPTIONS :—</p> <p><i>Receipts given for money deposited in any bank, or in the hands of any banker, to be accounted for, whether with interest or not, provided the same be not expressed to be received of or by the hands of any other than the person to whom the same is to be accounted for : Provided always, that this exemption shall not extend to receipts or acknowledgments for sums paid or deposited for or upon letters of allotment of shares, or in respect of calls upon any scrip or shares of or in any joint stock or other company, or proposed or intended company, which said last-mentioned receipts or acknowledgments, by whomsoever given, shall be liable to the duty charged upon receipts.</i></p> <p><i>Receipts exempted from stamp duty by any Act or Acts relating to the assessed taxes.</i></p> <p><i>Receipts given for money received for or on account of land tax, or the duties of assessed taxes, or the duties on profits arising from property, professions, trades, and offices, by any collector or receiver of such taxes or duties, or by any person having authority to collect or receive the same.</i></p> <p><i>Receipts or discharges written upon promissory notes, bills of exchange, drafts, or orders for the payment of money, duly stamped according to the laws in force at the date thereof, or upon bills of exchange drawn out of but payable in Great Britain or Ireland respectively.</i></p> <p><i>Receipts or discharges given upon bills or notes of the Governor and Company of the Bank of England or the Bank of Ireland.</i></p> <p><i>Letters by the general post acknowledging the safe arrival of any bills of exchange, promissory notes, or other securities for money.</i></p> <p><i>Receipts or discharges indorsed or otherwise written upon or contained in any bond, mortgage, or other security, or any conveyance, deed, or instrument whatever, duly stamped according to the laws in force at the date thereof, acknowledging the receipt of the consideration money therein expressed, or the receipt of any principal money, interest, or annuity thereby secured.</i></p>	

		Duty.
		£ s. d.
<i>Releases or discharges for money by deeds duly stamped according to the laws in force at the date thereof.</i>		
<i>Receipts given solely for the duty on insurances against fire; and receipts given for the premium and duty on such insurances to be liable only to the receipt duty in respect of the premium.</i>		
BILL of EXCHANGE, DRAFT, or ORDER, viz.:		
Draft or Order for the payment of any sum of money to the bearer, or to order, on demand		0 0 1
<i>Inland BILL of EXCHANGE, Draft, or Order for the payment to the bearer, or to order, otherwise than on demand, but not exceeding two months after date or sixty days after sight, of any sum of money,</i>		
Amounting to 40s. and not exceeding	5l. 5s.	0 1 0
Exceeding	5l. 5s.	0 1 6
"	20l.	0 2 0
"	30l.	0 2 6
"	50l.	0 3 6
"	100l.	0 4 6
"	200l.	0 5 0
"	300l.	0 6 0
"	500l.	0 8 6
"	1,000l.	0 12 6
"	2,000l.	0 15 0
"	3,000l.	1 5 0
<i>Inland BILL of EXCHANGE, Draft, or Order for the payment to the bearer, or to order, at any time exceeding two months after date, or sixty days after sight, of any sum of money,</i>		
Amounting to 40s. and not exceeding	5l. 5s.	0 1 6
Exceeding	5l. 5s.	0 2 0
"	20l.	0 2 6
"	30l.	0 3 6
"	50l.	0 4 6
"	100l.	0 5 0
"	200l.	0 6 0
"	300l.	0 8 6
"	500l.	0 12 6
"	1,000l.	0 15 0
"	2,000l.	1 5 0
"	3,000l.	1 10 0
<i>Inland BILL, draft, or order for the payment of any sum of money, though not made payable to the bearer or to order, if the same shall be delivered to the payee, or some person on his or her behalf</i>		<i>The same duty as on a bill of exchanges for the like sum payable to bearer or order.</i>
<i>Inland BILL, draft, or order for the payment of any sum of money, weekly, monthly, or at any other stated periods, if made payable to the bearer or to order, or if delivered to the payee, or some person on his or her behalf, where the total amount of the money thereby made payable shall be specified therein, or can be ascertained therefrom</i>		<i>The same duty as on a bill payable to bearer or order on demand for a sum equal to such total amount.</i>
And where the total amount of the money thereby made payable shall be indefinite		<i>The same duty as on a bill on demand for the sum therein expressed only.</i>
And the following instruments are to be deemed and taken to be inland bills, drafts, or orders for the payment of money chargeable with duty:—		
All drafts or orders for the payment of any sum of money by a bill or promissory note, or for the delivery of any such bill or note in payment or satisfaction of any sum of money, where such drafts or orders shall require the payment or delivery to be made to the bearer or to order, or shall be delivered to the payee, or some person on his or her behalf.		

Duty.

£ s. d.

All receipts given by any banker or bankers, or other person or persons, for money received, which shall entitle or be intended to entitle the person or persons paying the money, or the bearer of such receipts, to receive the like sum from any third person or persons.

All bills, drafts, or orders for the payment of any sum of money out of any particular fund which may or may not be available, or upon any condition or contingency which may or may not be performed or happen, if the same shall be made payable to the bearer or to order, or if the same shall be delivered to the payee or some person on his or her behalf.

And all documents or writings usually termed letters of credit, or whereby any person to whom any such document or writing is or is intended to be delivered or sent, shall be entitled or be intended to be entitled to have credit with, or in account with, or to draw upon any other person for, or to receive from such other person, any sum of money therein mentioned.

Foreign BILL of EXCHANGE (or Bill of Exchange drawn in but payable out of Great Britain or Ireland respectively), if drawn singly, and not in a set

The same duty as on an inland bill of the same amount and tenor.

Foreign BILLS of EXCHANGE drawn in sets according to the custom of merchants, for every bill of each set, where the sum made payable thereby shall not exceed 100l.

And where it shall exceed 100l. and not exceed 200l.	-	0	1	6
" 200l. " 500l.	-	0	3	0
" 500l. " 1,000l.	-	0	4	0
" 1,000l. " 2,000l.	-	0	7	6
" 2,000l. " 3,000l.	-	0	10	0
" 3,000l.	-	0	15	0

EXEMPTIONS:—

All letters of credit, whether in sets or not, sent by persons in the United Kingdom to persons abroad, authorizing drafts on the United Kingdom.

All bills of exchange or bank post bills issued by the Governor and Company of the Bank of England.

All drafts or orders for the payment of any sum of money to the bearer on demand, and drawn upon any banker or bankers, or any person or persons acting as a banker, who shall reside or transact the business of a banker within fifteen miles of the place where such drafts or orders shall be issued, provided such place shall be specified in such drafts or orders, and provided the same shall bear date on or before the day on which the same shall be issued, and provided the same do not direct the payment to be made by bills or promissory notes.

PROMISSORY NOTE for the payment of any sum of money by instalments, or for the payment of several sums of money at different days or times, so that the whole of the money to be paid shall be definite and certain

The same duty as on a promissory note payable in less than two months after date for a sum equal to the whole amount of the money to be paid.

And the following instruments shall be deemed and taken to be promissory notes, chargeable with duty:—

All notes promising the payment of any sum or sums of money out of any particular fund which may or may not be available, or upon any condition or contingency which may or may not be performed or happen, if the same shall be made payable to the bearer or to order, and if the same shall be definite and certain, and not amount in the whole to 20l.

		Duty.
		£ s. d.
EXEMPTIONS from the Duties on Promissory Notes:—		
<i>All notes promising the payment of any sum or sums of money out of any particular fund which may or may not be available, or upon any condition or contingency which may or may not be performed or happen, where the same shall not be made payable to the bearer or to order, and also where the same shall be made payable to the bearer or to order, if the same shall amount to 20l. or be indefinite.</i>		
<i>And all other instruments bearing in any degree the form or style of promissory notes, but which in law shall be deemed special agreements, except those hereby expressly directed to be deemed promissory notes.</i>		
But such of the notes and instruments here exempted from the duty on promissory notes shall nevertheless be liable to the duty which may attach thereon as agreements or otherwise.		
EXEMPTIONS from the preceding and all other stamp duties:—		
<i>All promissory notes for the payment of money issued by the Governor and Company of the Bank of England.</i>		
PROMISSORY NOTE for the payment to the bearer on demand of any sum of money		
Not exceeding 1l. 1s.	- - - - -	0 0 5
Exceeding 1l. 1s. and not exceeding 2l. 2s.	- - - - -	0 0 10
" 2l. 2s.	" 5l. 5s.	0 1 3
" 5l. 5s.	" 10l.	0 1 9
" 10l.	" 20l.	0 2 0
" 20l.	" 30l.	0 3 0
" 30l.	" 50l.	0 5 0
" 50l.	" 100l.	0 8 6
Which said notes may be re-issued, after payment thereof, as often as shall be thought fit.		
These notes can be lawfully issued by licensed bankers only.		
The issuing of any for sums less than 5l. is prohibited.		
PROMISSORY NOTE for the payment in any other manner than to the bearer on demand, but not exceeding two months after date, or sixty days after sight, of any sum of money		
Amounting to 40s. and not exceeding 5l. 5s.	- - - - -	0 1 0
Exceeding 5l. 5s. and not exceeding 20l.	- - - - -	0 1 6
" 20l.	" 30l.	0 2 0
" 30l.	" 50l.	0 2 6
" 50l.	" 100l.	0 3 6
These notes are not to be re-issued after being once paid.		
PROMISSORY NOTE for the payment either to the bearer on demand, or in any other manner than to the bearer on demand, but not exceeding two months after date, or sixty days after sight, of any sum of money		
Exceeding 100l. and not exceeding 200l.	- - - - -	0 4 6
" 200l.	" 300l.	0 5 0
" 300l.	" 500l.	0 6 0
" 500l.	" 1,000l.	0 8 6
" 1,000l.	" 2,000l.	0 12 6
" 2,000l.	" 3,000l.	0 15 0
" 3,000l.	- - - - -	1 5 0
These notes are not to be re-issued after being once paid.		

PROMISSORY NOTE for the payment to the bearer or otherwise, at any time exceeding two months after date, or sixty days after sight, of any sum of money

Amounting to 40s. and not exceeding 5l. 5s.

Exceeding 5l. 5s. and not exceeding 20l.

" 20l. " 30l.

" 30l. " 50l.

" 50l. " 100l.

" 100l. " 200l.

" 200l. " 300l.

" 300l. " 500l.

" 500l. " 1,000l.

" 1,000l. " 2,000l.

" 2,000l. " 3,000l.

" 3,000l.

Duty.

£ s. d.

0 1 6

0 2 0

0 2 6

0 3 6

0 4 6

0 5 0

0 6 0

0 8 6

0 12 6

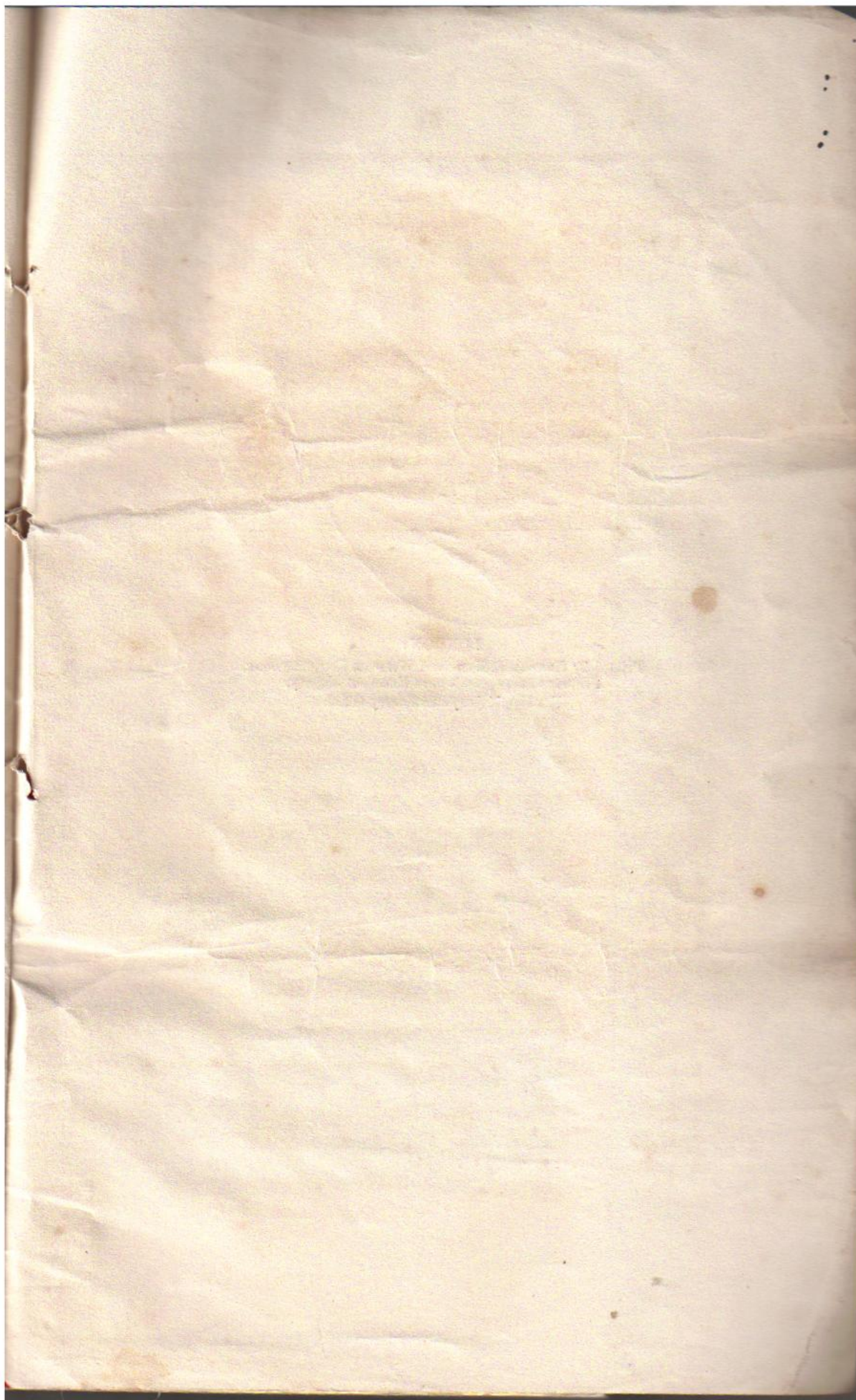
0 15 0

1 5 0

1 10 0

These notes are not to be re-issued after being once paid.

NOTE.—A promissory note payable on demand is chargeable as a note not exceeding two months after date, or sixty days after sight.



LONDON:

Printed by GEORGE E. EYRE and WILLIAM SPOTTISWOODE,
Printers to the Queen's most Excellent Majesty,
For Her Majesty's Stationery Office.