

MONEY ORDER BUSINESS

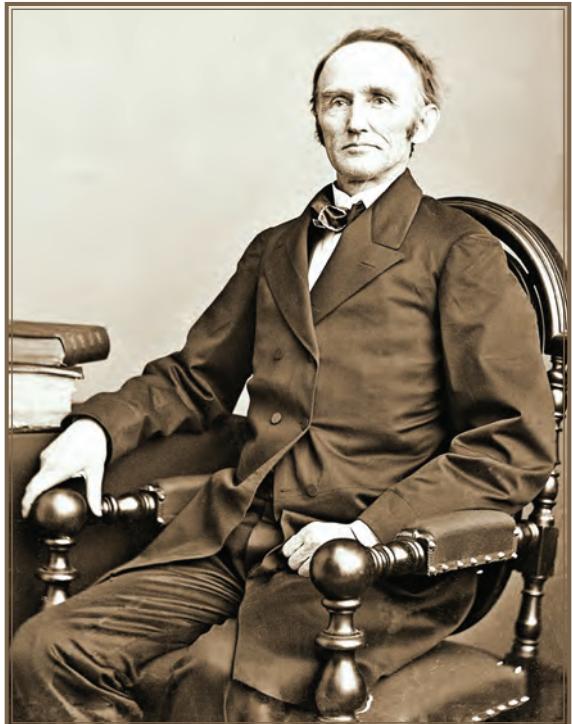
A Philatelic History of Postal Money Orders

by James W. Milgram, M.D.

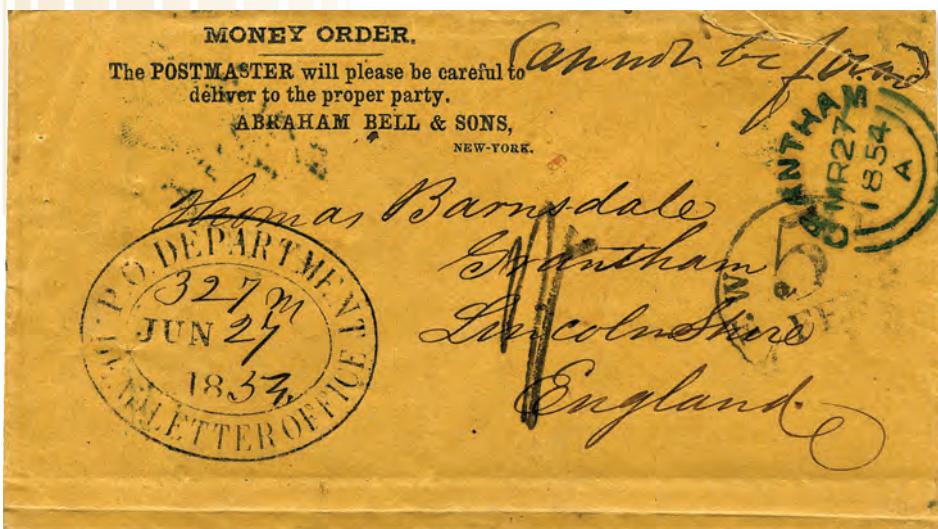
The transmission of money through the mails has been a problem for as long as there has been a mail system in this country. For years it traveled at the sender's risk in ordinary mail. Beginning in 1845, however, an unofficial system began to be employed whereby postmasters maintained records of letters with valuable contents. I have dubbed this the period of "Unofficial Registration."^{1,2}

Essentially, postmasters took detailed notes on letters containing valuable contents at the time of mailing — including dates, persons, addresses — and then noted this on the waybill. The delivering postmaster would register both the name of the addressee and when the letter was delivered. There was no charge for this service, which was encouraged by the Post Office Department as a means of tracing lost or stolen valuable mail. It wasn't until 1855 that a formal registration system with a five-cent fee was instituted at all post offices.

The Report of the Postmaster General for December 1, 1862³ discusses the transmission of money in the mails. In it PMG Montgomery Blair comments on the great efforts



Postmaster General Montgomery Blair



An 1854 cover from the commission firm of Abraham Bell advising that a money order was enclosed. The letter could not be delivered and was forwarded to the American Dead Letter Office. Evidently, no postage was paid as the shilling due was never collected.

made to provide better security of the mails, but notes that, due to the multitude of persons necessary to transmit letters in the mails, "the mails have always been, and must continue to be, an unsafe medium for the conveyance of money letters."⁴ The Report recommended the adoption of a money order system that would offer a greatly increased rate for registered letters, approximating the charges imposed by other parties engaged in the transportation of such packages, and further recommended that all letters known to contain money would be charged with registry postage. Registration was modified

in July 1863, increasing the rate to twenty cents but also providing the sender with a return receipt. In addition, a registered letter bill was sent to the receiving postmaster and there was a returned registered bill sent to the sending postmaster; the returned registered letter bill. Although this report mainly discusses proposed changes in the registry system, it is the first mention of a postal money order system. The problem of loss to letters from soldiers sending their pay home is discussed in my 2009 book, *Federal Civil War Postal History*.⁵

While this consideration of money orders in 1862 pertains to an official government postal money order, the actual use of money orders goes back to at least the 1850s when private companies would issue money orders in their name, which could be transmitted to their agents in other countries. A special Money Order envelope printed by the commission firm of Abraham Bell & Sons advised: "MONEY ORDER. The POSTMASTER will please be careful to deliver to the proper party. ABRAHAM BELL & SONS, NEW-YORK." The example shown, postmarked 1854, was sent by packet to England, but the recipient could not be found and the letter was returned to the U.S. Dead Letter Office (large double oval).

A second example handled by a different forwarding company advised on the front "MONEY ORDER. Post Master please observe care in delivery." A shield on the back flap advertised the company's services in more detail:

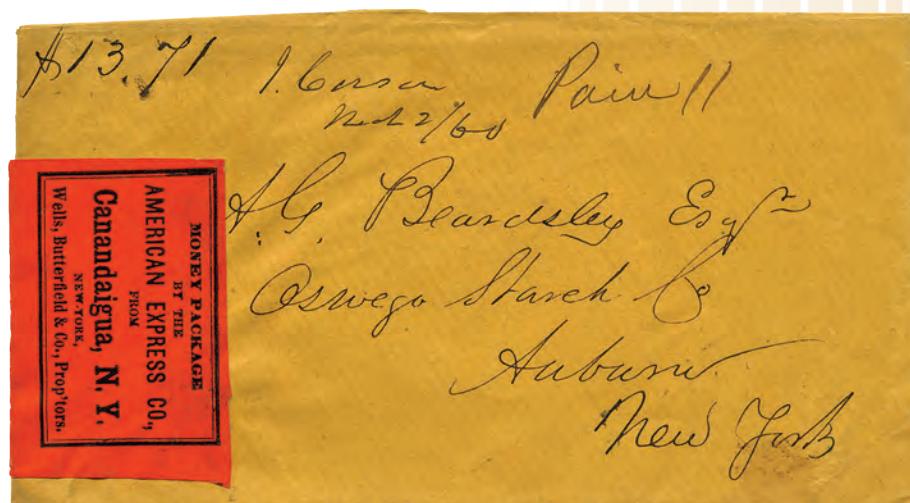
R.R. Elliott
Detroit, Mich.
Foreign Passage Office.
Remittance of Money to Great Britain, Ireland, France & Germany

Another firm, Harnden & Company, also advertised the service of sending money orders to Great Britain and Ireland.

In his Report of the Postmaster General for 1863, PMG Blair again recommends the money order system as a worthwhile method for transmitting small sums of money safely through the mails.⁶ He comments on the convenience of money orders to civilians and soldiers; however, as I have noted in the aforementioned references, in reality soldiers could rarely get to a post office. Thus, it was private express companies that carried a significant portion of soldiers' pay to their homes. A pre-war cover carried by the American Express Co. was ac-



An 1857 cover from the R.R. Elliott forwarding company advising that a money order was enclosed. Green cameo shield with name of company and advertisement of services on flap. The manuscript "11,000" may represent the value of the enclosed draft. The manuscript "12" may be a numbering system.



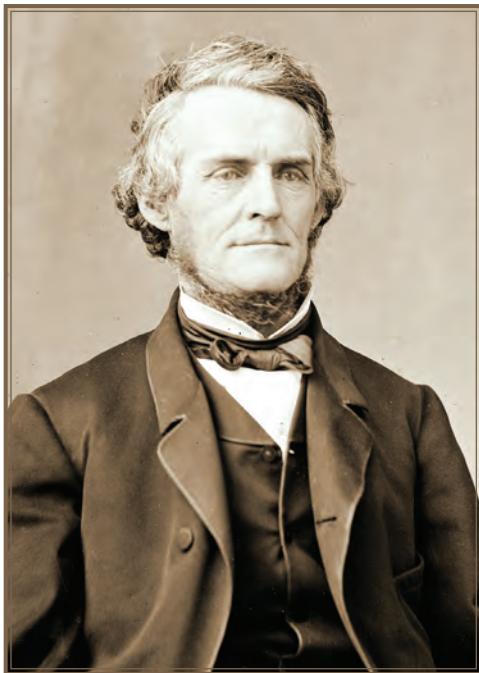
Express company envelope containing \$13.71. Label showed that it was received at the Canandaigua, New York office of the American Express Company for transmittal to Auburn, New York.

cepted at its Canandaigua, New York office in 1860 for transmission to Auburn, New York. From the manuscript notation at the top, the "Money Pack-age" apparently contained \$13.71.

The postal Act of May 17, 1864 authorized the new Postmaster General, William Dennison Jr., to establish "under such rules and regulations as he may find expedient and necessary, a uniform money-order system at all post offices which he may deem suitable therefor; and it further provided that this system should be put into operation during the fiscal year ending June 30, 1865."⁷

The 1864 Postmaster General's Report goes into great detail about the new money order system. The philosophy was that the system should be a cheap agency for the transference through the mails of small sums of money. Experience had shown that, as a rule, money remittances by mail were only small amounts. The PMG cites as evidence in support of this assertion that the average amount of money found in dead letters in 1862 was \$4.53; during 1863 it was \$4.20; and in 1864 it was \$5.18. With this evidence in mind, the report established the maximum amount for which a money order could be issued at \$30.

There were to be two official forms employed: the money order itself and a corresponding form containing information about the money order that could be used to help detect



Postmaster General William Dennison Jr.

fraudulent efforts to cash it. This was called an "advice" by the Post Office Department and was sent to the postmaster of the receiving office by mail immediately following the issuance of the money order. Thus, before the order itself could be presented, the receiving postmaster was furnished with the necessary information to detect fraud, if any should be attempted. A money order was rendered invalid unless it was presented to the postmaster on whom it was drawn within ninety days of its date of issuance. As a further precaution, the money order could only be cashed at the office designated at the time the order was written.

In commencing the money order business, the government deemed it expedient to begin with

larger post offices and gradually extend the service to smaller facilities. The long-term goals for the new system included arrangements for the interchange of international money orders.⁸

The October 1864 issue of the *United States Mail and Post Office Assistant* devotes the entire first page to "The Postal Money Order System of the United States."⁹ The reader is referred to this issue for additional information, but for the purposes of this article I have selected portions of the text to explain the service:

Introductory

The money order system is intended to promote public convenience, and to insure safety in the transfer of money through the mails. The mode by which safety is secured consists in leaving out of the order the name of the payee or party for whom the money is intended. In this respect a money order differs from an ordinary bank draft or check.

An advice or notification of the order drawn is transmitted by the issuing postmaster to the postmaster at the office of payment. The latter is thus furnished with all necessary information, and will therefore be informed of the names of the remitter and payee before the order itself can be presented, and be enabled to detect fraud, if any should be attempted.

It is expected that postmasters will use a legitimate influence in recommending the money order system, and by courteous attention to the inquiries

of applicants, exhibit its superiority as a safe method of transmitting small sums of money through the mails.

GENERAL PRINCIPLES OF THE MONEY ORDER SYSTEM

- I. Money order offices are divided into two classes. Offices of the first class are depositories in which those of the second class deposit their surplus money order funds.
- II. Any office in either class may draw upon any other office in the list of money order offices for a sum, upon one order, from one dollar to thirty dollars. But when a larger sum than the latter is required, additional orders to make it up must be obtained.
- III. When money orders exceeding \$150 in aggregate amount are issued in one day (the original planned maximum for a money order was \$50), and to the same person, by one or more offices upon a second-class office, the postmaster at the office so drawn upon will be permitted to delay the payment of such orders for five days.
- IV. The money orders shall be made out upon printed forms supplied by the Post Office Department, and no order will be valid or payable unless given upon one of such forms.
- V. Any person applying for a money order will be required to state the particulars upon a form of application which will be furnished to him for that purpose by the postmaster.
- VI. [about errors — an additional fee is charged for a repeat application]
- VII. Parties procuring money orders should examine them carefully, to see that they are properly filled up and stamped. This caution will appear the more necessary when it is understood that any defect in this respect will throw difficulties in the

way of payment.

VIII. When a money order is presented for payment at the office upon which it is drawn, the postmaster or authorized clerk will use the proper means to assure himself that the applicant is the person named and intended in the advice; and upon payment of the order, care must be taken to obtain the signature of the payee (or the person authorized by him to receive payment) to the receipt on the face of the order.

IX. [about written endorsements]

X. [repayment on the same day as issuance]

XI. The fees or charges for money orders will be as follows:

For an order of \$1 or more, but not exceeding \$10, 10 cents.

For an order of \$10 or more, but not exceeding \$20, 15 cents. [*This fee was not applied by the system at first.*]

For an order of \$20 or more, but not exceeding \$30, 20 cents. [*The higher amounts were charged a 25 cent fee.*]

INSTRUCTIONS TO POSTMASTERS AT MONEY-ORDER OFFICES

ISSUING ORDERS

1. When a money order is applied for, the postmaster will furnish the applicant with a printed form of application, in which the latter, if able to write, must enter himself, or cause to be entered for him, if unable, all the particulars of amount, name, address etc. required to be stated in the money order and advice.

2. From the items contained in such application, the postmaster will fill up the money order required in conformity therewith, and also the corresponding form of advice. The order, when completed, is to be handed to the applicant, upon payment of the sum expressed therein and of the fee chargeable thereon, which fee must invariably be paid in money, postage stamps not being receivable therefor. By the mail immediately following the issue of a money order, the postmaster must transmit, in a sealed envelope, the corresponding advice to the postmaster at the office upon which it is drawn. The utmost accuracy must be observed in writing both the order and the advice. The application must be numbered to correspond with the order issued and filed for future reference.

3. Upon the issue of a money order, the postmaster will record all the

particulars thereof in the "Register of Money Orders Issued" as directed by the headings; and if any subsequent actions should be taken in reference thereto, (such, for instance, as repayment, the issue of a duplicate, &c) he will note the alteration opposite the entry in the register under the head of "Remarks".

7. The issue of money orders on credit is strictly prohibited, under the severest penalties; and no moneys shall be received by a postmaster in payment for money orders other than coin, United States Treasury notes, or the notes of the national banks; nor can orders be legally paid in any other currency than that herein enumerated.

8. Money orders can only be issued at present upon such offices as are enumerated in the list hereto appended. The names of the offices which may from time to time be added thereto will be duly made known to the postmasters at other designated offices.

15. Postmasters who are intrusted with the duty of issuing money orders will invariably be held responsible for the acts of their subordinates in relation to such issues. It is desirable that the orders should in all cases be signed by the postmaster himself ... or assistant postmaster or designated clerk....

16. Upon the receipt of a money order advice, the particulars thereof must be immediately entered in the Register of Advices Received. After being so entered, advices should be filed, arranged under the names of the offices by which they were issued, so that reference may readily be made to them whenever necessary.

17. When an order is presented for payment, the postmaster will first examine the document itself, to see that it is properly signed, stamped &c; he will then compare it with the record in the Register of Advices Received, and satisfy himself, by questioning the applicant, and by such other means as may appear necessary, that the applicant is the person entitled to the payment....

19. After payment of a money order, the date of such payment must be entered opposite the record thereon in the Register of Advices Received, and the word "paid" written opposite the entry, in the column headed "Remarks".

20. Postmasters are prohibited, under any circumstances whatever, from paying a money order drawn by another

office of which the advice has not been received; neither are they permitted to pay an order to a second person without the written indorsement to such second person by the payee on the back of the order. When orders are paid upon such authority, the utmost caution should be exercised; and before paying them, the postmaster must be satisfied that the signature to the indorsement is genuine, and that the person presenting the order is the one named in the indorsement.

LOST ORDERS

FUNDS

ACCOUNTS

35. The money order accounts must be kept separate and distinct from those of postage, and together with all correspondence on money order business, must be addressed to the "Superintendent of the Money Order Office of the Post Office Department."

36. The books required to be kept in each money order office are:

1. A Register of Money Orders Issued, in which must be recorded daily the particulars of all orders issued.
2. A Register of Advices Received, which will be used for the record of advices.
3. A Cash Book showing the debit and credit transactions each day.

To insure uniformity in these books, patterns thereof will be furnished by the Department.

39. Postmasters must be particular to number their accounts consecutively, beginning with No. 1 at the commencement of each year. They must also be careful to write the names of the remitters and payees of the money orders so plainly in the accounts that there will be no difficulty in deciphering them.

WEEKLY RETURNS

40. On Saturday evening of each week, postmasters will make up their weekly statement, being careful to state therein all the particulars required by the headings, and to compare the several items with those contained in the registers and cash book before forwarding the same, which must be done by the first mail after the accounts have been closed....

RESERVES

49. The Postmaster General will allow a certain sum of money to be withheld by postmasters and money order offices, so that they may always be ready

to meet the orders drawn upon them. The amount of the reserves allowed an office will be determined by the extent and nature of the business transacted thereat, and will be changed from time to time, should circumstances warrant. When any post office is designated for the issue of money orders, the postmaster will be informed of the amount of reserve allowed....

COMPENSATION OF POSTMASTERS FOR CONDUCTING THE MONEY ORDER BUSINESS.

51. At all money order post offices where the annual salary of the postmaster is fixed at a sum less than \$4,000, he is allowed, in addition to such salary, as a compensation for transacting the money-order business, one-third of the fees received for the issue of money orders, and one-eighth of one per cent upon the gross amount of orders paid.... Postmasters whose annual salary equals or exceeds \$4,000 receive no additional compensation for the transaction of the money order business.

FORMS

52. The blank forms which will be furnished to postmasters at money order offices are as follows:

Application for money orders.

Following these points is a full column of the newspaper devoted to depicting the blank forms.

The next issue of the magazine contained the missing sections of the law not excerpted in the October 1864 issue. No more is said until the April 1865 issue when, on page one, a column and a half are devoted to the discussion of money orders, including filling out the forms correctly, mailing ad-

Money orders and advices.

Special advices.

Blanks for weekly statements.

Blank drafts on the postmaster at New York

Certificates of deposit on money order account.

Postmasters should be careful not to suffer their stock of these blanks to become exhausted, but to make a timely application for a new supply.

53. When a post office is designated as a money order office, the postmaster will be furnished with patterns for the books required to be kept and upon the receipt of said patterns, he will cause the books to be prepared in accordance therewith. These books are—

Register of Money Orders Issued

Register of Advices Received

Cash Book

54. Appended to these instructions are the forms which postmasters are desired to use in communicating with the Department upon the subjects to which they severally refer. It is not required that these forms shall be printed.

56. The success of the money order system will greatly depend upon the at-

tention, promptitude, and accuracy of postmasters; and it is expected, therefore, that each postmaster will be careful to conform to the rules, as well as to see that the orders and advices which come to him from other offices are properly and correctly executed.

58. It may be anticipated also that circumstances will occur indicating the expediency of modifying or adding to the provisions of the money order system as herein described. As it is intended to make the system as efficient as possible, postmasters are requested to communicate to the money order office of the Department any fact coming to their knowledge which may tend to show the necessity for any modification of the present rules, or any change in the method of their application which practical experience would indicate to be an improvement.

59. No money order business is to be transacted on Sundays.

M. Blair

Postmaster General

[Note: the same issue of this magazine discusses the resignation of Montgomery Blair from his post office position.]

vices and deposits promptly, and altering forms.

The earliest dated money order cover is an 1865 black bordered envelope imprinted "Post Office Chicago, Ill. OFFICIAL BUSINESS" and bearing a facsimile signature of the postmaster. The use of the black border is due to the country's state of mourning following Abraham Lincoln's death on April 16, only six days earlier. The cover has two strikes in blue reading, "CHICAGO ILLS. M.O.B. / APR 22 '65." The envelope is addressed to the postmaster at Syracuse, New York and would have been used for sending the advice on a money order to the postmaster there. To my knowledge, this is the only known example of this early postmark at Chicago used during the first year of money order service. Leonard Piszkiewicz depicts twelve different postmarking devices recorded at Chicago between 1865 and 1933.¹⁰ His next earliest date is 1883.

During the first full year of money orders, the Civil War was still raging for most of the time, and many important southern cities were excluded. Despite this, the number of offices able to issue money orders in 1865 totaled 419, with fifty-five more planned. From the estab-



Black bordered envelope with printed notation from Chicago post office and two strikes of "CHICAGO ILLS / M.O.B./ APR 22 '65" in blue, addressed to the postmaster at Syracuse, New York.



Regular mail sent from "NEW PHILADELPHIA O. MAY 8 1865" with 3-cent stamp tied "M.O.B." to ?/Zanesville, O.

lishment of the system on November 1, 1864 to July 1, 1865 (the official cutoff date for PMG Reports), an eight-month period, the total value of money orders issued amounted to \$1,360,122.52.¹¹ The actual number of money orders as of November 15, 1865 was 74,277.

Not all had been paid, leaving an outstanding balance of \$46,545.44. A total of 422 duplicate money orders were issued during this period, mostly to replace those lost in the mails. Fees taken in were \$11,462.95, not counting the duplicate orders.

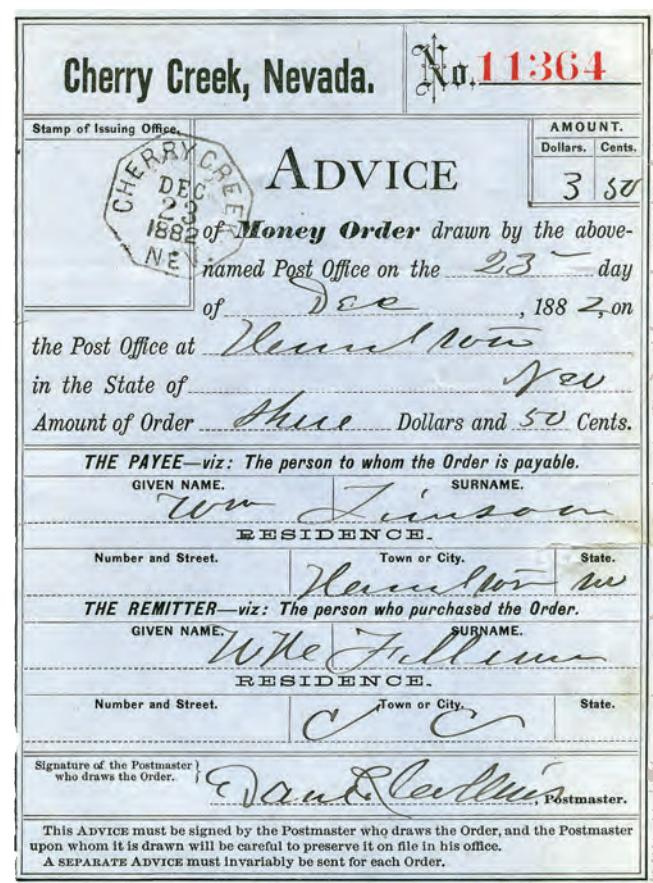
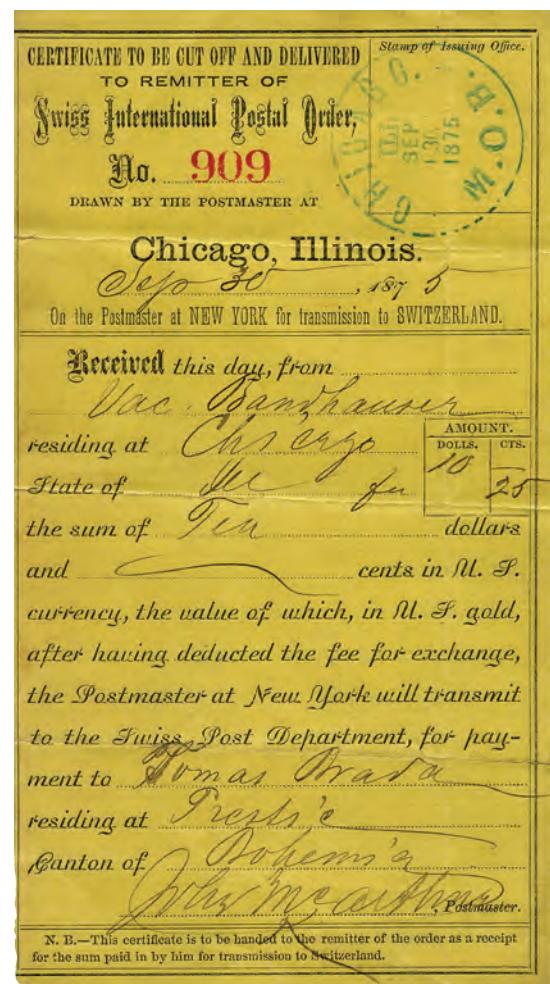
Expenditures included commissions to postmasters, but this amounted to only about 15 percent of costs, which totaled \$18,584.37. The deficiency (\$7,047.97) was covered by the initial appropriation of \$100,000 in May 1864 to establish the system. The maximum amount of a money order was \$30, which could be increased to \$50. The number of money orders as of November 15, 1865 was 74,277.

Illustrated is a cover with a circular "M.O.B." used as the killer on the stamp from "NEW PHILADELPHIA, O. MAY 8 1865" in an octagonal frame. The purpose of this handstamp was probably to mark envelopes sent to other post offices containing an advice; some examples are shown later in this article.

In 1866 the number of post offices providing money orders was increased to 766, and the amount of business nearly trebled. The fee schedule was ten cents for an order of \$20 or less, and twenty-five cents for an order exceeding \$20. It was recommended in 1866 to add a third rate of fifteen cents for an order between \$10 and \$30, with the ten-cent fee now applying to orders of less than \$10.¹²

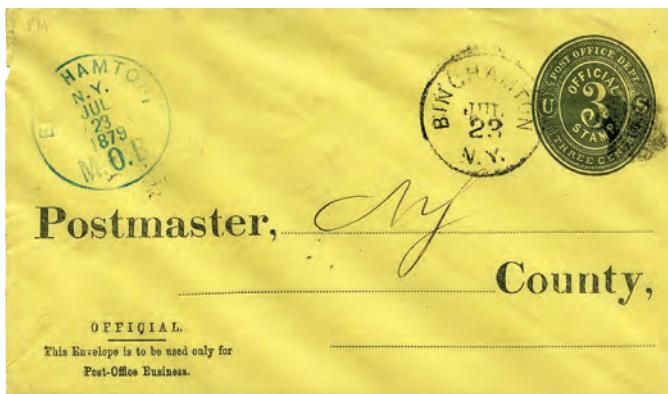
Each subsequent Postmaster General's Report contains a page about the current fees, expenditures, and gains. The 1868 report notes that "the department is at present engaged in arranging the details of a convention for the interchange of postal money orders between certain money order offices of this country and those of Switzerland. After it shall have been put into successful operation, similar arrangements will gradually be made

Advise in 1882 to postmaster at Hamilton, Nevada for \$3.50 sent from Cherry Creek, Nevada, postmarked December 23, 1882.

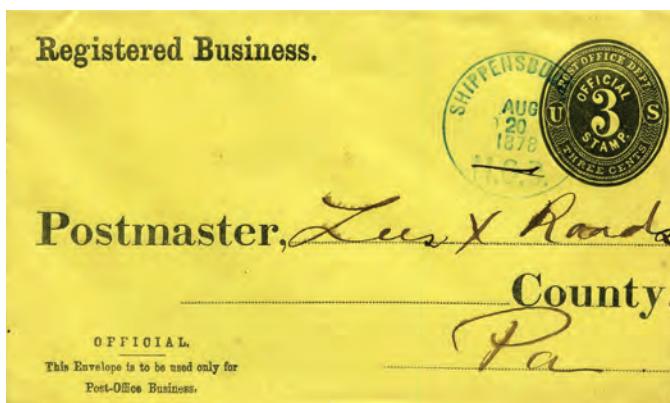




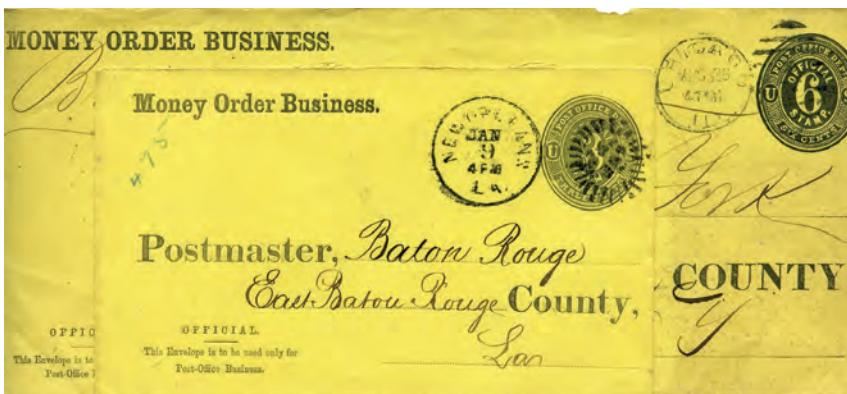
Yellow three-cent Post Office official entire with blue "EAST BOSTON STATION MASS M.O.B. MAR 7 1879" as one postmark.



Similar official three-cent entire with blue "BINGHAMTON N.Y. M.O.B. JULY 23, 1879" postmark also used as a cornercard to postmaster at New York.



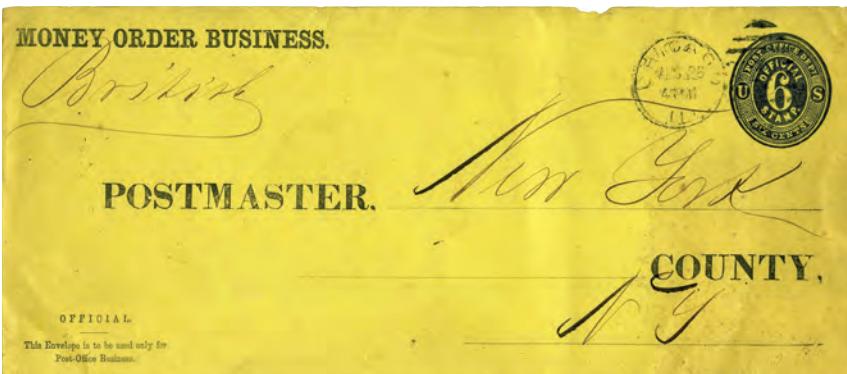
Two 3-cent entires: (left) Registered Mail business with altered M.O.B. postmark in blue. (right) Handstamped "M.O.B." in a circle for a cornercard from Paterson to Trenton, New Jersey.



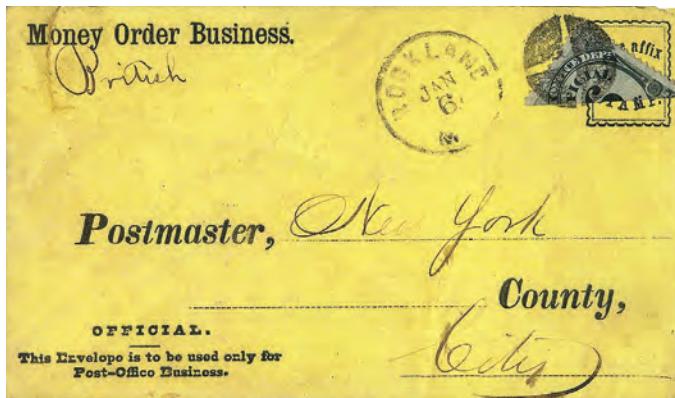
with other foreign countries which may desire the establishment of an international money-order system.”¹³

Illustrated is an example of the only Swiss money order receipt I have seen. It is dated from Chicago and is postmarked “CHICAGO M.O.B./ILL SEP 13 1875.” Note that this is not an advice but a receipt for the person who sent the money. Note also the fairly low number of 909 in September from this large city. This handstamp does not appear in the list of postmarks by Piszkiewicz.

The advice that was sent between post offices to validate the money order itself — sent by the issuing postmaster to the receiving postmaster — was a form that included the name of the person who was to



Three-cent entire with fancy postmark of New Orleans (top) and six-cent entire with the “Money Order Business” cornercard used from Chicago, Illinois (bottom). The manuscript “British” meant that this envelope contained matter relating to international money orders.



Bisection six-cent Post Office Department stamp used on a money order business envelope. (Illustration courtesy Siegel Auctions October 2007.)

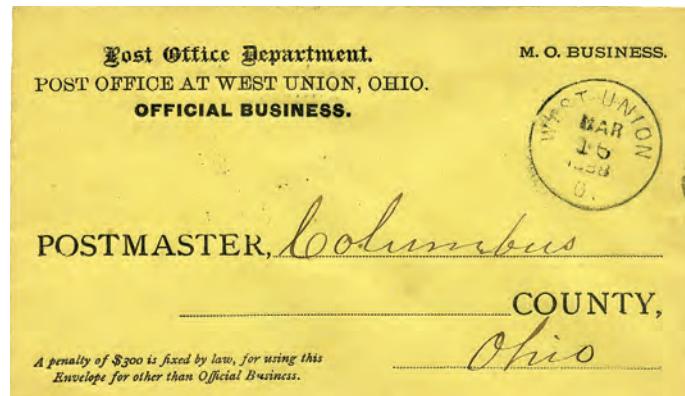
receive the money. A fairly early advice from the small town of Cherry Creek, Nevada in 1882 is shown. Both the payee's name and that of the remitter are given on this official form. In this case, the small town of Cherry Creek seems to have used an octagonal handstamp without the initials "M.O.B." (Money Order Business), but many towns used special postmarks containing those initials.

Official Envelopes Containing the Advice(s)

Except for the black bordered cover from Chicago shown on page 928, the envelopes used to mail the advice from one post office to another that have survived date from the period of the official stamps and afterwards. Most are yellow stamped envelopes with the printed warning "OFFICIAL. This envelope is to be used only for Post-Office Business."

Illustrated is a typical envelope with a printed Money Order Business cornercard on a three-cent Post Office entire. Most are simply postmarked with a town marking, but this Massachusetts cover bears a blue "EAST BOSTON STATION/-M.O.B./-MAR 7 1879" handstamp in addition to the "BOSTON STATION MASS." postmark. It was sent to the postmaster at Trenton, New Jersey.

Another usage is a envelope without cornercard, so that it is only the blue "BINGHAMTON N.Y. M.O.B./-JUL 23 1879" handstamp that identifies this cover as carrying an ad-



Penalty envelope with postmark "WEST UNION O. MAR 16 1888" to postmaster at Columbus, Ohio.

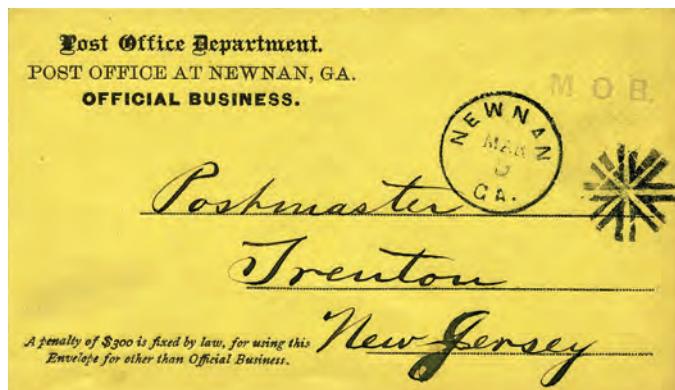
vice to the postmaster at New York.

A cover from Shippensburg, Pennsylvania is a "Registered Business" cornercard with blue M.O.B. postmark. The line drawn through the M.O.B. indicates that the contents were a registered return receipt. Another cover, mailed from Paterson, New Jersey, uses a handstamped "M.O.B." in a circle instead of a cornercard. These official covers are all addressed to the postmaster, since he or she had to compare the advice with the submitted money order in the hands of the patron.

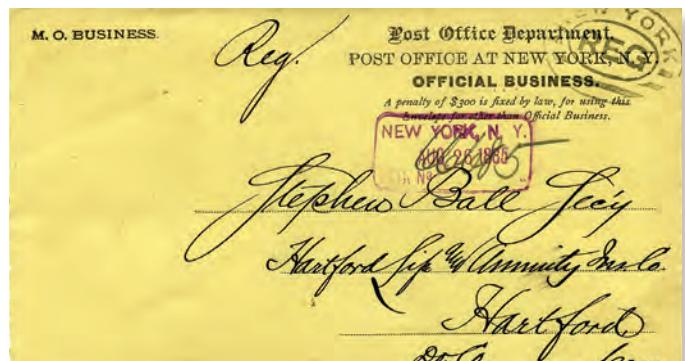
Other examples include a cover with a fancy geometric cancellation from New Orleans and a six-cent entire with usage of the international division. A different 3-cent cover in the author's collection has a cornercard "CANADIAN MONEY ORDER BUSINESS."

A very rare stamp usage is a bisected 6-cent stamp on cover mailed from Rockland, Maryland and addressed to the Postmaster, New York City. The word "British" under the "Money Order Business" imprint indicates that it would have contained advices for international receipts. I have seen two other similar bisects with money order usage.

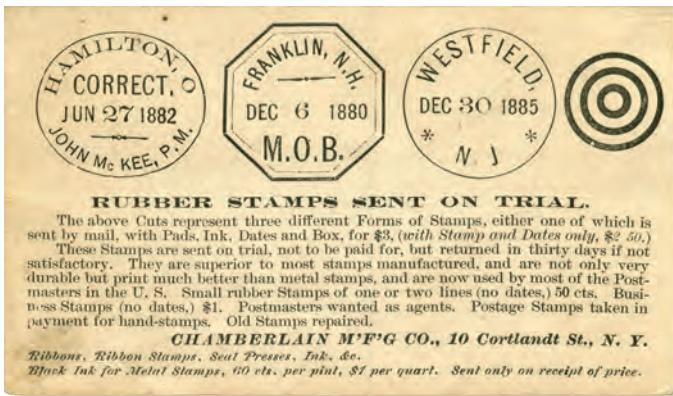
Then there are covers that were used at a later date, after the official stamps and entires, and that bear penalty cornercards. Illustrated is a typical example, mailed from West Union to Columbus, Ohio with postmark "WEST UNION



Handstamped cornercard with "M.O.B." used to forward advice to postmaster at Trenton, New Jersey.



Penalty cover that shows Registered postmarks from New York in addition to the Money Order Business corner card.



U.S. government postcard 1879 showing advertisement for post office handstamps, including one for a money order handstamp.

O/-MAR 16 1888," the normal town postmark. There is a small printed "M. O. BUSINESS" printed in the upper right corner just above the postmark. Another penalty cover shows a purple handstamped "M.O.B." to the right and slightly above a "NEWNAN GA./-MAR 3" postmark.

Finally, I have an example of a penalty envelope intended for usage from the money order desk of the New York post office that differs from all the other covers shown here, in that it is addressed to an individual (Stephen Ball, secretary of the Hartford Life and Annuity Insurance Company) and not a postmaster. It also was registered and bears the appropriate registered postmarks on both the front and back. This is an unusual usage and might have dealt with a replacement money order. When a postmaster sent money order payments to another money order office, such a letter or parcel had to be registered, too.

Money Order System

The money order system turned a profit in 1868 with an excess of receipts over expenditures of \$54,158.13.¹⁴ Under the authority of the postal Act of July 27, 1868 the money order fees were reorganized and reduced overall. The fee for a \$1-\$20 money order was ten cents, for \$20-\$30 fifteen cents, for \$30-\$40 twenty cents, and for \$40-\$50 twenty-five cents.

The larger post offices served as depositories for the smaller offices. The small offices generally issued more money orders than they paid out, while larger offices typically paid more money orders than they issued. The smaller offices were required to remit "without delay" surplus funds from these transactions by registered mail. The loss of \$8,168.50 sent in twenty-eight such registered packages in one year was reported as lost in transmission. A special agent of the P.O.D. investigated each loss:

The loss of these registered packages containing remittances of surplus money-order funds causes no detriment whatever, either to the remitters or to the payees of money orders. It is the Department, and not the public, that suffers the loss resulting from the failure of such remittances to reach their destination.¹⁵

The service continued to grow in the late 1860s. An ex-

tension of the system to substations in larger U.S. cities was accomplished, and on September 1, 1869 an international money order system for the exchange of postal orders between the United States and Switzerland was put into operation. A similar system was effected with Great Britain October 1, 1871 and one with the German Empire commenced October 1, 1872. By the end of 1873 there were 3,009 money order offices in the United States with seven substations, one each in Boston and Chicago and five in Philadelphia. The Act of June 8, 1872 reduced the lowest fee to five cents for an order of \$1-\$10.

Reference to the Postal Laws and Regulations of 1873 shows that the principal means employed provide a secure payment process for a money order was leaving out the name of the payee or person for whom the money is intended on the form. An advice or notification containing the full particulars of the order was to be transmitted without delay by the issuing postmaster to the postmaster at the office of payment. The latter was thus furnished, before the order itself was presented, with information that would enable the receiving postmaster to prevent its payment to any person not entitled. The payee was allowed to endorse the order just once to another person, who had to present proof of this to the paying postmaster.

The maximum amount that could be sent in a single money order was \$50, and three such orders (\$150) was the limit that could be presented at one time or the receiving office could delay payment for five days. The 1873 Postal Laws and Regulations repeats the initial regulations that were excerpted earlier from the 1864 *United States Mail and Post Office Assistant*.

Money order offices were divided into two classes. Offices of the first class were depositories, into which those of the second class deposited their surplus money order funds. There was a list of the offices with the first class offices printed in italics [Note: I have not seen such a list of money order post offices and would like to.]

Shown is the reverse of a government postcard from New York in 1879. The middle cut is for a money order business handstamp. The CORRECT handstamp to the left is for postmasters to acknowledge registered mail letter bills, and the third duplex target postmark is to cancel mail.

Money Order Postmarks on Ordinary Mail

I do not know the reason for the next phenomenon, but during the 1880s and early 1890s a large number of covers are seen from small towns all over the country with money order postmarks being used instead of the regular postmark. A large number of these money order markings are octagonal and some are in different colored ink. It has been suggested that the use of these postmarks meant that the letter contained a money order, but I doubt this from an inspection of the contents of such letters. Also, the postmarks are known on postcards. A montage shows a group of such



Montage of four registered covers with M.O.B. postmarks during the mid to late 1880s.



This selection of four covers showing similar usage of money-order devices to cancel stamps on mail from different U.S. territories during the 1890s.



Registered postmark to mark the registered mail bills "correct" used to cancel ordinary mail at "EATON, ILLINOIS/ CORRECT, [date]/ T.W. COOPER, P.M."

markings in my collection and this is only a small part of the 1880s group. Note the variety of small towns that are present: Ferris, Texas; Glenwood, New York; Ness City, Kansas; Prairie Du Rocher, Illinois; Webster, North Carolina; Kahoka, Missouri; Tempe, Arizona; and Delhi, Iowa on postcard.

A group of these postmarks were used on registered covers during the same period and demonstrate the same use by small town post offices: Greencastle, Indiana; Rockbridge, Illinois; Vinita, Indian Territory; Russell, Kansas; Kahoka, Missouri (also shown without registration in the previous figure); and Las Vegas, New Mexico. Other examples from 1890s covers include Riverton, Virginia; South McAllister, Choctaw Nation, Indian Territory; East Liverpool, Ohio; and Mount Ida, Arkansas.

For comparison, the cover on page 934 shows the usage of a registered business postmark to mark registered bills "correct" — "EATON, ILLINOIS/ CORRECT, date/ T.W. COOPER, P.M." — in a similar fashion on a non-registered ordinary letter. Such usages of the registered postmarking devices are much more uncommon. During the 1890s such usages disappeared.

The "correct" handstamps were applied by receiving

postmasters to the return registered letter *bills* (not the receipts) that were returned to the sending postmaster. The use of one as a postmark on a letter is similar to the use of an M.O.B. handstamp as a postmark.

A cover with a rare usage of the money order postmark from Flint, Michigan on a registered *label* in 1886 includes a handstamped "Return Receipt Demanded."

The illustration showing two-thirds of the front surface of a Registered Package Envelope with three magenta postmarks — "KENDALL, WIS. M.O.B./-OCT 10, 1893" — demonstrates a usage of the money order business postmark instead of the registered postmark from this small town. Registered Package envelopes were used to transport registered letters between post offices. Each was numbered and they were not to be reused. Up to six registered letters would fit comfortably into one of these large envelopes.

A wonderful large envelope from the Post Office Department ("Office Superintendent Money Order System") with the largest REGISTERED postmark known is shown with several 1894 M.O.B. postmarks from Mattawamkeag, Maine. This probably contained money order forms.

Stolen money order forms were a perennial problem, and standard postal cards were prepared to warn postmasters of their loss and any fraudulent attempt to use them. Illustrated are two sides of a postal card mailed by "S. H. Morse, Post Office Inspector in Charge, San Francisco, Cal." Dated November 24, 1916, the card warns the postmaster in Shasta, California about money order forms "Nos. 12444 to 12600, inclusive" that have been stolen from Hatfield, Pennsylvania.

There are many posters or broadsides promoting the usage of registration of letters with valuable contents, but the early twentieth-century poster shown also recommends the routine use of postal money orders:

Return
to
Norton Co.
11 N. Jefferson St.
Worcester

Return
Receipt Demanded



Registered mail label, unofficial type, showing the money-order postmark from Flint, Michigan on the label. This item probably had nothing to do with money orders.



Norton Company
Worcester
Mass.

Money Sent Without Danger of Loss /At Low Rates
To all parts of the United States and its possessions and certain Foreign Countries / by means of / POSTAL MONEY ORDERS /issued on the domestic form Postal Money Orders should be used, whenever available, Instead of Cash, for Remittances by Mail.

The 1936 U.S. Official Postal Guide gives extensive coverage to the Postal Money Order System on its inside back cover:

Money Orders

For the sake of security, postal money orders should be used whenever available instead of cash for remittances by mail.

Remittances may be made cheaply and safely by means of postal money orders to all parts of the United States and its possessions, and to foreign countries as well.

Although a single money order cannot be issued for more than \$100, there is no limit to the number of domestic money orders which may be sent by one remitter in one day to the same person.

If a person desiring to remit by money order resides on a rural route, application for the order may be made through the rural carrier, who will furnish the necessary form, and give a receipt for the money.

Lost or destroyed money orders will be replaced without cost by means of duplicate orders or warrants.

Money Order Post Offices

There are over 53,000 post offices and postal branches and stations in the United States, including Alaska, Guam, Hawaii, Puerto Rico, Tutuila (Samoa), and the United States Virgin Islands, at which domestic money order business is transacted.

At all of these offices, branches and stations, money orders may also be purchased for payment in Antigua, Bahama Islands, Barbados, Bermuda, British Guiana, British Honduras, British Virgin Islands, Canada, Canal Zone, Cuba, Dominica, Grenada, Jamaica,

Postmark of mailing office on Registered Package envelope, "KENDALL, WIS M.O.B. / OCT 10 1893."



Montserrat, Nevis, Newfoundland, Philippine Islands, St. Kitts, St. Lucia, St. Vincent, and Trinidad and Tobago.

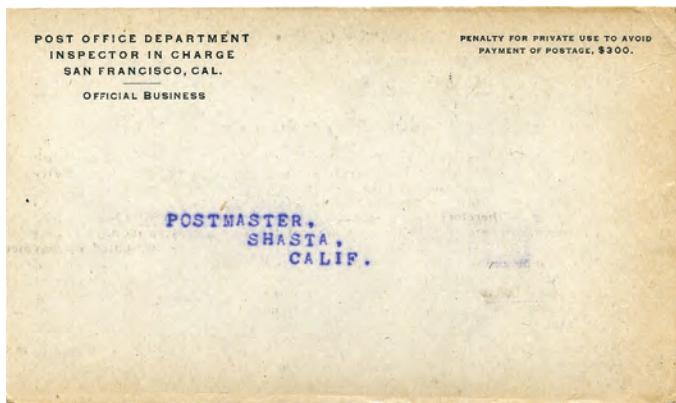
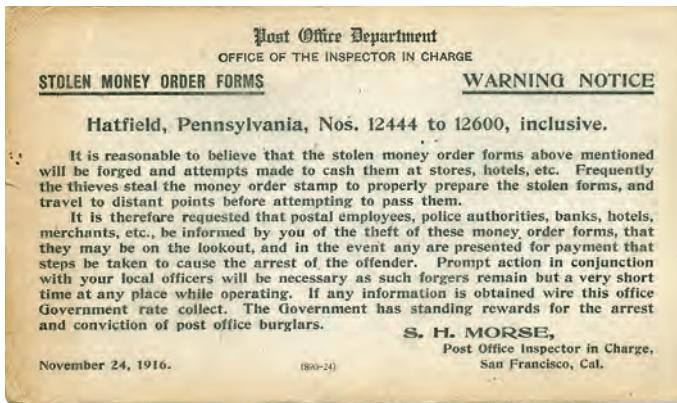
More than 18,000 of these offices are designated as "international" offices and through them remittances may be made by means of money orders to almost any part of the world.

Payment and Repayment

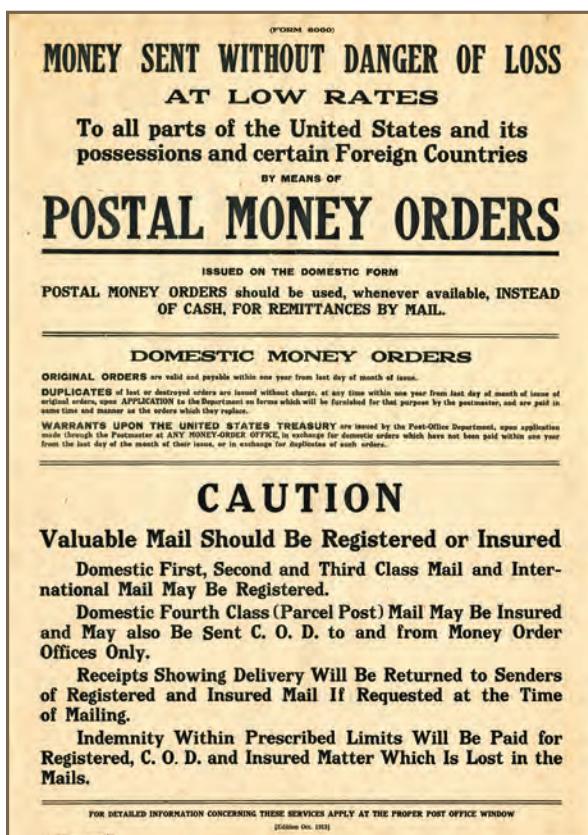
Upon payment of an additional fee a domestic money order issued at, and drawn on, any money order office in the continental United States, exclusive of Alaska, may be



Money order business envelope bearing huge REGISTERED postmark to Mattawamkeag, Maine postmaster bearing four strikes in magenta of the money-order handstamp from that office.



Front and reverse of postal card notifying other postmasters of the theft of money order forms.



An undated twentieth-century poster comparing the advantages of registered mail and money orders.



A 1945 registered envelope from U.S.S. Thurston to the New York postmaster, probably enclosing funds from money orders issued by the ship's postmaster.

paid at any money order office in the continental United States, exclusive of Alaska, within 30 days from the date of issue. After that lapse of time it may be paid only at the office upon which drawn, or repaid at the office of issue ... more on repayment....¹⁷

One final registered envelope shown, this one from a post office on board the U.S.S. Thurston in 1945 to the "Postmaster, General Post Office, Room 3112, New York, New York." The manuscript "Money Order Remittance" under "Contents" probably indicates that it contained surplus funds for the first class post office at New York City.

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Dr. James W. Milgram is a frequent contributor to *The American Philatelist* and other philatelic journals, with more than 420 published articles and books. He collects postal markings and illustrated stationery of the early United States. His most recent book, *Federal Civil War Postal History*, was published in 2009.