

34 **PART THREE. LARGE SIZE NOTES**  
**IV. THE DEMAND NOTES OF 1861**

The term “Greenback” for United States paper money originated with the issue of the Demand Notes of 1861. As mentioned earlier in this book, these Demand Notes are the first and earliest issue of United States currency as we know it.

They were issued in denominations of 5, 10 and 20 Dollars only, authorized by the Congressional Acts of July 17 and August 5, 1861, with an additional authorization in the Act of February 12, 1862. All notes bear the first date, “Act of July 17, 1861” and also the additional date of “Aug. 10th, 1861,” which is an arbitrary date for the plate. The notes were issued to the public on August 26, 1861.

Demand Notes are unique among large size United States currency in that they alone bear neither the Treasury Seal nor the actual names of the Treasurer and Register of the Treasury. They also have the serial number imprinted only once.

Sixty million dollars in currency was authorized to be issued by the above Acts. This was a very large sum for those days and involved the printing and signing of several million actual notes. At that time, a situation arose which was unprecedented.

The first plates made for the various denominations had blank spaces for two signatures, and below these spaces were engraved

“Register of the Treasury” and “Treasurer of the United States.”

These two busy and important Treasury officials obviously could not sit down and personally autograph several million notes. Therefore, a large staff of clerks from the Treasury Department was employed to sign their own names for the two officials. The way the plates were worded made it necessary for these clerks to write also the words ‘For the’ in addition to their own name.

It quickly became apparent that this additional wording was both wasteful and inefficient and the plates were at once changed so that the finished printed note read as follows, “For the Register of the Treasury” and “For the Treasurer of the United States.”

Compared to the total amount of notes issued, those released to the public before the plates were changed were small in number. Today, only a few survive and they are of the highest rarity and greatest historical interest.

The obligation on the Demand Notes is as follows. “The United States promise to pay to the bearer. . . . Dollars on demand. . . . Payable by the Assistant Treasurer of the United States at (New York, Philadelphia, Boston, Cincinnati or St. Louis). Receivable in payment of all public dues.”

**5 Dollar Notes**

**DESIGN 1**

(Notes 1–5a)

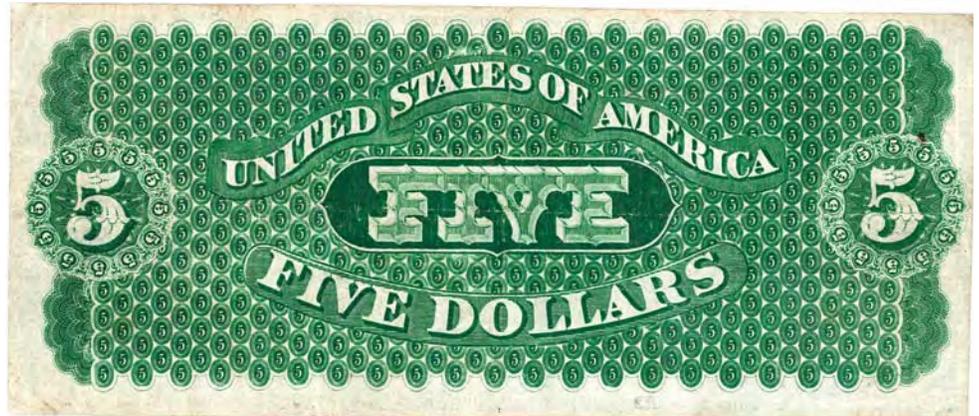
Thomas Crawford’s statue of Freedom on top of the U.S. Capitol in Washington. Bust of Alexander Hamilton, the first Secretary of the Treasury, 1789–1795.



**DESIGN 1 Reverse**

Printed in green. The green reverses of the Demand Notes are the origin of the term ‘Greenback’ as applied to U.S. paper money in general.

The note illustrated is from the collection of the American Numismatic Association, no. 1987.0126.0001.



No.	Payable at	VG8	F12	VF20	EF40	No.	Payable at	VG8	F12	VF20	EF40
1.	New York					3a.	“For the” handwritten				
1a.	“For the” handwritten					4.	Cincinnati				
2.	Philadelphia					4a.	“For the” handwritten				
2a.	“For the” handwritten					5.	St. Louis				
3.	Boston					5a.	“For the” handwritten				

# 10 Dollar Notes

## DESIGN 2

(Notes 6–10a)

Bust of Abraham Lincoln, 16th President of the United States, 1861–1865. At top center, an eagle with draped shield. At right, a female allegory representing Art.



## DESIGN 2 Reverse

The note illustrated is from the collection of the American Numismatic Association, no. 1987.0126.0002.



No.	Payable at	VG8	F12	VF20	EF40	No.	Payable at	VG8	F12	VF20	EF40
6.	New York					9.	Cincinnati				
6a.	"For the" handwritten					9a.	"For the" handwritten				
7.	Philadelphia					10.	St. Louis				
7a.	"For the" handwritten					10a.	"For the" handwritten				
8.	Boston										
8a.	"For the" handwritten										

# 20 Dollar Notes

## DESIGN 3

(Notes 11–15)

Liberty holding sword and shield.

## Design 3 Reverse

The note illustrated is from the collection of the American Numismatic Association, no. 1987.0126.0004.



No.	Payable at	VG8	F12	No.	Payable at	VG8	F12
11.	New York			12.	Philadelphia		
11a.	"For the" handwritten			12a.	"For the" handwritten	Unknown	

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No.	Payable at	VG8	F12
13.	Boston		Rare
13a.	"For the" handwritten	Unknown	
14.	Cincinnati		Unique

No.	Payable at	VG8
14a.	"For the" handwritten	Unknown
15.	St. Louis	Unknown

## V. LEGAL TENDER ISSUES (UNITED STATES NOTES)

There are five issues of Legal Tender Notes, which are also called United States Notes.

**First Issue.** These notes are dated March 10, 1862 and were issued in all denominations from 5 to 1,000 Dollars. The obligation on the obverse of all these notes is "The United States promise to pay to the bearer..... Dollars.... Payable at the Treasury of the United States at New York." There are two separate obligations on the reverse side of these notes.

**First Obligation.** Earlier issues have the so-called First Obligation which reads as follows, "This note is a legal tender for all debts, public and private, except duties on imports and interest on the public debt, and is exchangeable for U.S. six per cent twenty year bonds, redeemable at the pleasure of the United States after five years."

**Second Obligation.** The later issues have the Second Obligation, which reads as follows, "This note is a legal tender for all debts, public and private, except duties on imports and interest on the public debt, and is receivable in payment of all loans made to the United States."

Notes of 1862 with the Second Obligation are much rarer than those with the First Obligation.

These notes are without the titles that appear on later issues which have the heading either "Treasury Note" or "United States Note."

The "Green patent date" mentioned below is usually 30 JUNE 1857 (APRIL 28, 1863 on Nos. 95a-c and 150a) and refers to the privately-held patent for the green ink which was used as an anti-counterfeiting measure.

**Second Issue.** These notes are dated August 1, 1862 and were issued in denominations of 1 and 2 Dollars only. The obligation on these notes, both obverse and reverse, is the same as on the notes of the Second Obligation above.

**Third Issue.** These notes are dated March 10, 1863 and were issued in all denominations from 5 to 1,000 Dollars. The obligations, both obverse and reverse, are the same as on the notes of the Second Obligation of the First Issue.

**Fourth Issue.** All notes of this issue were printed under authority of the Congressional Act of March 3, 1863. The notes issued were from 1 to 10,000 Dollars and include the series of 1869, 1874, 1878, 1880, 1907, 1917 and 1923. The notes of 1869 are titled "Treasury Notes;" all later issues are titled "United States Notes." However, the obligation on all series is the same. "The United States will pay to bearer..... dollars.... This note is a legal tender at its face value for all debts public and private, except duties on imports and interest on the public debt." A variety exists on notes of the 1869 series in which the paper bears a "USUSUS" watermark as on the fourth issue of Fractional Currency.

**Fifth Issue.** This issue consisted only of 10 Dollar notes of the series of 1901. These notes were issued under authority of the Legal Tender Acts of 1862 and 1863. The obligation on these notes is as follows, "The United States of America will pay to the bearer ten dollars ... This note is a Legal Tender for ten dollars subject to the provisions of Section 3588 R.S.... This note is a Legal Tender at its face value for all debts public and private except duties on imports and interest on the public debt."

**Seals.** There are two varieties of Treasury Seals in the Series of 1862:

Type 1 (left). Solid center, without pattern.

Type 2 (right). Pattern of lines in center around shield.



## 1 Dollar Notes

### DESIGN 4

(Notes 16-17b)

National Bank Note Company plates.

Bust of Salmon P. Chase, Secretary of the Treasury under Abraham Lincoln, 1861-1864, and Chief Justice of the United States Supreme Court, 1864-1873. He is probably best known to numismatists for his causing the motto "In God We Trust" to be adopted for our national coinage.



### Design 4 Reverse

The note illustrated is from the collection of the American Numismatic Association, no. 1987.0126.0008.



Act of July 11, 1862, Script date August 1, 1862. Signatures of Chittenden and Spinner. Red Seal. Second obligation reverse. National Bank Note Company imprint twice on lower border.

No.	Series No.	Seal	VG8	F12	VF20	EF40	CU60	Ch63	Gem65
16.	Series 174-234 at left	Type 2							
	No ABNCo monogram. No green patent date								