



# Fact Sheet

## United States Currency Milestones

### 1690 Colonial Notes

The Massachusetts Bay Colony, one of the Thirteen Original Colonies, issued the first paper money to cover costs of military expeditions. The practice of issuing paper money spread to the other Colonies.

### 1739 Franklin's Unique Counterfeit Deterrent

Benjamin Franklin's printing firm in Philadelphia printed colonial bills with nature prints—unique raised impressions of patterns cast from actual leaves. This process added an innovative and effective counterfeit deterrent to bills, not completely understood until centuries later.

### 1764 British Ban

Following years of restrictions on colonial paper money, Britain finally ordered a complete ban on the issuing of paper money by the Colonies.

### 1775 Continental Currency

The Continental Congress issued paper money to finance the Revolutionary War. Continental currency was denominated in Spanish milled dollars. Without solid backing, the bills were easily counterfeited and quickly lost their value, giving rise to the phrase “not worth a Continental.”

### 1781 The Bank of North America

Congress chartered the Bank of North America in Philadelphia as the first national bank, creating it to support the financial operations of the fledgling government.

### 1785 The Dollar

Congress adopted the dollar as the monetary unit of the United States.

### 1791 First Central Bank

Congress chartered the Bank of the United States for a 20-year period to serve as the U.S. Treasury's fiscal agent. The bank was the first to perform central bank functions for the government and operated until 1811, when Congress declined to renew the bank's charter. Recognizing that a central banking system was still necessary to meet the nation's financial needs, Congress chartered a second Bank of the United States in 1816 for another 20-year period.

### 1792 Monetary System

The Coinage Act of 1792 created the U.S. Mint and established a federal monetary system, set denominations for coins, and specified the value of each coin in gold, silver or copper.

### 1861 Greenbacks

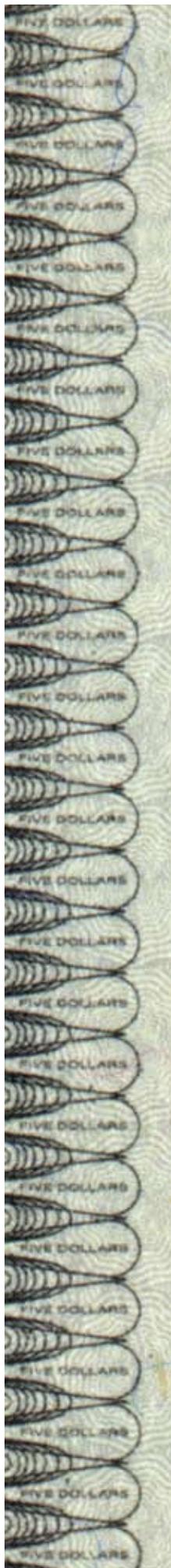
The first general circulation of paper money by the U.S. federal government occurred in 1861. Pressed to finance the Civil War, Congress authorized the U.S. Treasury to issue non-interest-bearing Demand Notes. These notes acquired the nickname “greenback” because of their color. Today all U.S. paper money issued since 1861 remains valid and redeemable at full face value.

### 1861 First \$10 Notes

The first \$10 bills, called Demand Notes, were issued in 1861 by the Treasury Department. A portrait of President Abraham Lincoln appeared on the front of the notes.

### 1862 The Design

By 1862, the design of U.S. paper money incorporated fine-line engraving, intricate geometric latchwork patterns, a Treasury seal, and engraved signatures to aid in counterfeit deterrence. Since that time, the U.S. Treasury has continued to add features to thwart counterfeiting.



**1863 National Banking System**

Congress established a national banking system and authorized the U.S. Treasury to oversee the issuance of National Bank Notes. This system established Federal guidelines for chartering and regulating “national” banks and authorized those banks to issue national currency secured by the purchase of United States bonds.

**1865 Secret Service**

The United States Secret Service was established as a bureau of the Treasury for the purpose of controlling the counterfeiters whose activities were destroying the public’s confidence in the nation’s currency.

**1877 Bureau of Engraving and Printing**

The Department of the Treasury’s Bureau of Engraving and Printing began printing all U.S. paper money.

**1905 Paper Currency With Background Color**

The last U.S. paper money printed with background color was the \$20 Gold Certificate, Series 1905, which had a golden tint and a red seal and serial number.

**1913 Federal Reserve Act**

The Federal Reserve Act of 1913 created the Federal Reserve System as the nation’s central bank and provided for a national banking system that was more responsive to the fluctuating financial needs of the country. The Federal Reserve Board issued new currency called Federal Reserve Notes.

**1914 The First \$10 Federal Reserve Notes**

The first \$10 Federal Reserve notes were issued in 1914. These bills were larger than today’s bills and featured a portrait of President Andrew Jackson on the front.

**1929 Standardized Design**

The first sweeping change to affect the appearance of all paper money occurred in 1929. In an effort to lower manufacturing costs, all paper money was reduced in size by about 30 percent. In addition, standardized designs were instituted for each denomination across all classes of U.S. paper money, decreasing the number of different designs in circulation. This standardization made it easier for the public to distinguish between genuine and counterfeit bills.

**1957 In God We Trust**

The use of the National Motto “In God We Trust” on all currency has been required by law since 1955. It first appeared on paper money with the issuance of the \$1 Silver Certificates, Series 1957, and began appearing on Federal Reserve Notes with the 1963 Series.

**1990 Security Thread and Microprinting**

A security thread and microprinting were introduced to deter counterfeiting by advanced copiers and printers. The features first appeared in Series 1990 \$100 bills. By Series 1993, the features appeared on all denominations except \$1 and \$2 bills.

**1996 Currency Redesign**

In the first significant design change in 67 years, U.S. paper money was redesigned to incorporate a series of new counterfeit deterrents. The new bills were issued beginning with the \$100 bill in 1996, followed by the \$50 bill in 1997, the \$20 bill in 1998 and the \$10 and \$5 bills in 2000.

**2003 Secret Service Integrated Into Homeland Security Department**

Protecting the security of the dollar against counterfeiting took its place side-by-side with other homeland security efforts, as the U.S. Secret Service was integrated into the new U.S. Department of Homeland Security.

## 2003 The New Color of Money: Safer. Smarter. More Secure.

### The New \$20 Bill

To stay ahead of counterfeiters, the U.S. government introduced the new Series 2004 bill designs. A redesigned \$20 bill includes:

- *Color-Shifting Ink:* Look at the number “20” in the lower right corner on the face of the note. When you tilt the note up and down, the color-shifting ink changes from copper to green. The color shift is more dramatic in the redesigned notes making it even easier for people to check their money.
- *Watermark:* Hold the note up to the light and look for the watermark, or faint image, similar to the large portrait. The watermark is part of the paper itself and it can be seen from both sides of the note.
- *Security Thread:* Hold the note up to the light and look for the security thread, or plastic strip, that is embedded in the paper and runs vertically up one side of the note. If you look closely, the words “USA TWENTY” and a small flag are visible along the thread from both sides of the note. The security thread also glows green under ultraviolet light.

### 2004 The New \$50 Bill

A redesigned \$50 bill was issued on September 28, 2004, and includes three security features:

- *Color-Shifting Ink:* Look at the number “50” in the lower right corner on the face of the note. When you tilt the note up and down, the color-shifting ink changes from copper to green. The color shift is more dramatic in the redesigned notes, making it even easier for people to check their money.
- *Watermark:* Hold the note up to the light and look for the watermark, or faint image, similar to the large portrait. The watermark is part of the paper itself and it can be seen from both sides of the note.
- *Security Thread:* Hold the note up to the light and look for the security thread, or plastic strip, that is embedded in the paper and runs vertically to the right of the portrait. If you look closely, the words “USA 50” and a small flag are visible along the thread from both sides of the note. This thread glows yellow when held under an ultraviolet light.

### 2006 The New \$10 Bill

A redesigned Series 2004A \$10 bill was issued on March 2, 2006. The “A” in the series designation indicates a change in some feature of the bill; in this case, a change in the Treasurer’s signature. The redesigned \$10 bill includes:

- *Color-Shifting Ink:* Tilt your ten to check that the number “10” in the lower right-hand corner on the face of the note changes color from copper to green. The color shift is more dramatic on the redesigned notes, making it even easier for people to check their money.
- *Watermark:* Hold your ten up to the light to see if a faint image of Treasury Secretary Alexander Hamilton appears to the right of his large portrait. It can be seen from both sides of the note. On the redesigned \$10 note, a blank oval has been incorporated into the design to highlight the watermark’s location.
- *Security Thread:* Hold your ten up to the light and make sure there’s a small strip embedded in the paper. The words “USA TEN” and a small flag are visible in tiny print. It runs vertically to the right of the portrait and can be seen from both sides of the note. This thread glows orange when held under ultraviolet light.

### 2008 The New \$5 Bill

The redesigned \$5 bill was issued on March 13, 2008. New and enhanced security features make it easier to check the new \$5 bills and more difficult for potential counterfeiters to reproduce. The redesigned \$5 bill has:

- *Watermarks:* There are now two watermarks on the redesigned \$5 bill. A large number “5” watermark is located in a blank space to the right of the portrait replacing the previous watermark portrait of President Lincoln found on the older-design \$5 bills. A second watermark—a column of three smaller “5”s—has been added to the new \$5 bill design and is positioned to the left of the portrait.
- *Security Thread:* The embedded security thread runs vertically and is now located to the right of the portrait on the redesigned \$5 bill. The letters “USA” followed by the number “5” in an alternating pattern are visible along the thread from both sides of the bill. The thread glows blue when held under ultraviolet light.