

BEP HISTORY FACT SHEET



MILITARY PAYMENT CERTIFICATES 1946 – 1973

Between 1946 and 1973 the Bureau of Engraving and Printing (BEP) produced Military Payment Certificates (MPC) for the U.S. Department of Defense. MPCs were a form of scrip (paper money issued for temporary use) used to pay U.S. military and civilian personnel and to conduct other financial transactions on designated overseas military bases. In all, 13 series of MPC were issued and withdrawn; two were printed but never issued and were stored for future use; and one series was designed but never printed.

ORIGINS OF MPC

Military Payment Certificates have their origins in the Allied Military Currency (AMC) that was used in Europe and the Pacific during World War II. AMC was produced for use in areas in which Allied military actions were planned. It was printed in the monetary units of the targeted country and served to supplement existing local currency supplies. AMC was used by the Allied troops and the local populace and was withdrawn from circulation once adequate amounts of indigenous currency could be issued.

American soldiers could convert their AMC into U.S. dollars for transfer back home. However, if troops obtained AMC in excess of their actual pay through unofficial means, there was no way to control the conversion of this extra AMC into additional dollars. In order to stop such exchanges, the War Department and the Department of the Treasury approved the use of a new type of military currency –Military Payment Certificates– that incorporated tight control on use and convertibility.

In July 1946, a trial run of MPC was carried out within the Pacific Command. It was a success. In August 1946, the Secretary of War approved the use of MPC for the occupied areas of the Pacific, Mediterranean, and Europe, and in September 1946, the first MPC series (Series 461) was issued.

HOW DID MPCs WORK?

MPCs were used as the official medium of exchange for all financial transactions on overseas military bases. MPCs could be used to make on-base purchases, and under certain very limited conditions could be converted to U.S. currency. MPCs could be exchanged for currency used in the local community. Local currency, however, could not be converted back into MPCs nor could the local populace use MPCs. When a new MPC series was introduced, only authorized users could convert their MPCs to the new series, and after conversion the old series became worthless.

MPCs were printed in dollar units. MPCs produced from 1946 to 1965 included the 5¢, 10¢, 25¢, 50¢, \$1, \$5, and \$10 denominations. From 1966 on, MPC series included a \$20 note as well.

WHAT DOES THE MPC SERIES NUMBER INDICATE?

The first two digits indicate the year in which the series was printed. The third digit represents the number of series printed during a specific year. For example, Series 471 was the first series printed in 1947 and Series 472 was the second series printed in 1947.

Additional Resources

Fred Schwan,
*Comprehensive Catalog
of Military Payment
Certificates, 2002*

Susan Greco, & Hallie
Brooker, "Military
Payment Certificates,"
Part 1, BEP
Communicator, January
2003 and Part 2, BEP
Communicator,
February/March 2003

www.papermoneyworld.net/usmpc/index.html

Select MPC Images

Series 461



Series 521



Series 591



Series 611



Series 641



Series 651



Series 681



Series 692



WHEN WERE MPCs USED?

In general, MPCs could be used on designated overseas military bases when one or more of the following conditions existed:

- there was a risk for large amounts of U.S. dollars falling into enemy hands
- the introduction of U.S. dollars into an area could devalue the local currency
- the local government prohibited the use of U.S. dollars by U.S. forces
- the military operation was anticipated to last more than 180 days

MPCs have not been used by the Department of Defense since 1973 and, in August 2003, the MPC program was formally canceled.

WHERE WERE MPCs USED?

Series	Dates Used	Where Used	Series	Dates Used	Where Used
461	1946-1947		611	1964-1969	Cyprus, Japan, South Korea, and Libya
471	1947-1948	Austria, Belgium, England, France, Germany, Greece, Hungary, Iceland, Italy, Japan, South Korea, Morocco, Netherlands, Philippines, Ryukyu Islands, Scotland, Trieste, and Yugoslavia; Series 521 was also used in Northern Ireland	641	1965-1968	Vietnam
472	1948-1951		651	1969-1973	Japan, Libya, South Korea
481	1951-1954		661	1968-1969	Vietnam
521	1954-1958		681	1969-1970	Vietnam
541	1958-1961	Cyprus, England, France, Germany, Iceland, Italy, Japan, South Korea, Morocco, Northern Ireland, Philippines, Ryukyu Islands, and Scotland	692	1970-1973	Vietnam
			691	Printed but never issued	
			701	Printed but never issued	
591	1961-1964	Cyprus, Iceland, Japan, Philippines, and South Korea	721	Designed but never printed	

Source: *Comprehensive Catalog of Military Payment Certificates*, Fred Schwan, 2002

HOW WERE MPCs DESIGNED?

MPCs were one of the most elaborately designed products of the BEP. All notes had four-color faces and two-color backs and the sizes of notes varied according to denomination. Lower denominations of 5¢, 10¢, 25¢, and 50¢ were small in size; \$1 notes were medium size; and \$5, \$10, and \$20 notes were large.

Early MPCs used the same color combination for an entire series. Designs were the same for each size of note in a series and were fairly simple compositions that resembled their precursor, the Allied Military Currency of World War II. Beginning in 1954 with series 521, each denomination within a series used a different color combination. Within a series, designs were the same for all small-sized notes but differed for each medium- and large-sized note. As well, designs became more elaborate, featuring vivid color combinations and incorporating highly decorative borders and ornament, background tints, allegorical figures, portraits, and scenic vignettes.

HOW WERE MPCs PRODUCED?

MPCs were offset-printed using engraved background tints and artwork that were photographically reproduced for translation into offset plates. With this approach, multi-color background tints were printed by applying one color over another to create layers of blended color that, when combined with the finely engraved artwork, resulted in a note that was extremely difficult to counterfeit.

Initially, the BEP designed MPCs and handled the finishing and shipping operations but contracted with two private firms—Forbes Lithographic Manufacturing Co. and Tudor Press, both of Boston—to do the printing. In 1964, the Bureau took over all aspects of MPC production.

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