

WAIT 2389: END OF THE OBSOLETE ERA IN NEW JERSEY?

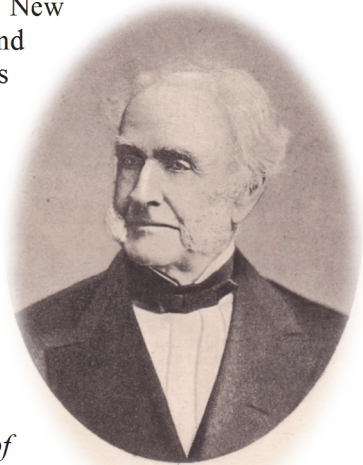
by David D. Gladfelter

Shown here is what may be the last obsolete bank note to have been issued for circulation in the state of New Jersey – or at least the last such note to survive until the present. Issued by the Trenton Banking Company on June 1, 1865, signed by President Philemon Dickinson and countersigned by Cashier Thomas Johnson Stryker, it retains most of its original brightness and color, with a few light folds vertically and horizontally.



This bank has had a long history of sound operation. Chartered by the New Jersey Legislature on December 3, 1804, it was New Jersey's second bank and remained a state bank until 1958, when it consolidated with the First Mechanics National Bank of Trenton. In an address marking the bank's 150th anniversary in 1954, then President Sydney G. Stevens said:

After the turbulent Civil War years, the question of becoming a national bank was considered for the first time, in 1865. On April 11, the directors passed a resolution that it would be to their interest to organize as a national bank. However, after further consideration, on May 16th, the directors voted against this action by 5 to 3. In subsequent years the same question was taken up several times, but it was never approved. In more modern times the possibility of joining the Federal Reserve System has been studied frequently but no affirmative action ever has been taken. Apparently, a spirit of independence is part of the fiber of the institution's being.



Philemon Dickinson

Notes of state banks that were paid out by any bank after July 1, 1866, were made subject to a 10% tax by a March 3, 1865 amendment to the National Bank Act. This amendment was a deliberate attempt to drive state bank notes out of circulation. It is therefore somewhat surprising that the bank officials issued the note shown here, knowing that it would have to be called in within 13 months. Fortunately, the holder of this note saved it for posterity.

George Wait, in *New Jersey's Money*, lists as #1423 a genuine \$2.00 note of the Mechanics Bank at Newark with a printed date of June 1st, 1866 (also listed by James Haxby as NJ-365 G12e). Since this bank converted to the Mechanics National Bank of Newark on June 9, 1865, the foregoing listings must be erroneous.

Interestingly, the earliest known genuine New Jersey bank note was also issued by the Trenton Banking Company, on November 20, 1806. That note was illustrated in the July/August 2001 issue of this publication. A note mentioned in that article thought to have been issued earlier proved to be a counterfeit.