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Discontinuation of U.S. Circulating Coins: Selected Examples

In February 2025, President Trump announced that he was ordering the Secretary of the Treasury to stop the production of pennies. There have been past instances in which the United States has discontinued the production or availability of a circulating coin.

Historically, coins have been discontinued using one of two methods—Congress has statutorily removed a coin from the list of legal tender authorized under 31 U.S.C. §5112 to be produced for both circulating and numismatic (i.e., collectable) purposes by the U.S. Treasury through the U.S. Mint (i.e., demonetization); or the Department of the Treasury has discontinued the production and issuance of a circulating coin, while it remained authorized legal tender and could be issued for numismatic purposes.

Authorization of Coins

Congress statutorily authorizes circulating coins. The first coins were authorized in 1792, with the enactment of the Coinage Act (1 Stat. 246). The Coinage Act established the U.S. Mint, prescribed various aspects of circulating coin design, and directed the U.S. Mint to strike coins of specific denominations. Today, the Secretary of the Treasury, through the U.S. Mint, issues six denominations of circulating coins (31 U.S.C. §5112(a))—the dollar, half dollar, quarter, dime, five-cent (nickel), and one-cent (penny) coins.

For more information on the role of Congress in the design of circulating coins, see CRS In Focus IF10533, *Congressional Involvement in the Design of Circulating Coins*, by Jacob R. Straus.

Statutory Demonetization

On several occasions, Congress has amended the Coinage Act (31 U.S.C. §5112) to remove (demonetize) a specified coin from the list of circulating coins authorized to be produced by the Secretary of the Treasury through the U.S. Mint. This In Focus highlights two occasions when Congress statutorily discontinued *and* demonetized a coin—the half-cent coin (1857) and the quarter-eagle \$2.50 gold coin (1930).

Half-Cent (1857)

In 1792, Congress authorized the half-cent (\$0.005) coin in the Coinage Act of 1792. Made of copper, the Mint produced the half cent until 1857. That year, Congress amended the Coinage Act to end production of the half-cent and to remove it from the list of authorized legal tender that could be produced by the U.S. Mint (11 Stat. 163). The Mint notes on its webpage that the half-cent coin was discontinued because it had become unpopular and that ending its production saved on the overall amount of copper the Mint needed to produce coins. The final half-cent coins were issued that same year. **Figure 1** shows an example of the obverse (left) and reverse (right) of two half-cent coins.

Figure 1. Half-Cent Coin Examples



Source: U.S. Mint, "The History of U.S. Circulating Coins."

Quarter-Eagle (1930)

Congress also authorized the quarter-eagle (\$2.50 coin) in 1792, with the enactment of the Coinage Act of 1792. The Mint produced the quarter-eagle, which was made of gold, from 1796 until 1930. **Figure 2** shows an example of the quarter-eagle.

Figure 2. Quarter-Eagle Example



Source: Smithsonian, National Museum of American History, "2 and ½ Dollar Coin, United States, 1831."

In 1930, Congress statutorily discontinued the quarter-eagle's production and removed it from the list of authorized circulating coins (46 Stat. 154). In its 1930 annual report, the director of the U.S. Mint explained why the quarter-eagle was discontinued. In part, the director's report stated

That this coin was not well adapted for use in circulation, owing to its smallness, has been demonstrated over a period of years. Moreover, the coins were in demand almost exclusively for use at the Christmas season and generally were returned to the reserve banks and the Treasury or disappeared from circulation soon after their issuance.

—*Annual Report of the Secretary of the Treasury on the State of the Finances for the Fiscal Year Ended June 30, 1930* (H.Doc. 71-256, p. 78).

Administrative Discontinuation

On at least one occasion, the Secretary of the Treasury has ordered the U.S. Mint to stop production of a circulating coin due to falling demand—the dollar coin in 2011.

The dollar coin was first authorized in the Coinage Act of 1792 (1 Stat. 246). In 2011, the Secretary of the Treasury ordered the Mint to suspend production of circulating \$1 coins in response to a growing inventory of \$1 coins. In 2011, the number of surplus (e.g., nondistributed by the Federal Reserve) \$1 coins had grown to nearly 1.4 billion. To at least partially address this situation, on December 13, 2011, the Secretary of the Treasury issued an order to reduce the number of surplus \$1 coins. Since the order, most \$1 coins have been considered “circulating numismatic” items (i.e., they could be ordered by the Federal Reserve for circulation, but are generally only produced in quantities necessary to meet collector demand). Congress has not demonetized the \$1 coin. Rather, it remains a circulating coin, but has only been produced for numismatic purposes in recent years. **Figure 3** shows examples of 2025 \$1 coins.

Figure 3. 2025 Dollar Coin Examples



Source: U.S. Mint, “American Innovation \$1 Coin Images”; and U.S. Mint, “Native American \$1 Coin Images.”

For more information on the penny, see CRS In Focus IF12293, *Penny: History and Current Status*, by Jacob R. Straus; and CRS Insight IN12572, *Proposed Elimination of the Penny: Frequently Asked Questions*, by Jacob R. Straus, Andrew P. Scott, and Kathleen E. Marchsteiner. For more information on other circulating coins, see CRS In Focus IF12593, *Nickels and Dimes: History and Current Status*, by Jacob R. Straus; CRS In Focus IF11394, *Quarter and Half Dollar Coins: History and Current Status*, by Jacob R. Straus; CRS In Focus IF11773, *Redesigning Circulating Quarters, Half Dollars, and Dollar Coins: Current and Future Designs*, by Jacob R. Straus; and CRS In Focus IF11190, *U.S. Dollar Coins: History and Current Status*, by Jacob R. Straus.

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