

## This Day in History... November 9, 1998

### Rare Unissued Yellow Hat Stamp

On November 9, 1998, the USPS issued an H-rate Uncle Sam's Hat stamp to satisfy the First-Class Rate. An unissued Uncle Sam's Hat stamp with a yellow background was later discovered in used condition, despite never being officially issued!

In 1997, the US Postal Service proposed raising the First Class postage rate from 32¢ to 33¢. It released the well-known Uncle Sam's Hat non-denominated "H" stamps on November 9, 1998, in advance of the hike, which would go into effect on January 10, 1999. The USPS also requested an increase in the postcard rate from 20¢ to 21¢. This proposal was denied by the Postal Rate Commission, whose responsibility it is to set postage rates.

Now here's the rub – in order to be prepared for the rate hike, the Bureau of Engraving and Printing had already printed the Yellow Hat "H" postcard-rate stamps and sent them to post offices. But because the Postal Commission kept the rate at 20¢, the USPS never officially issued the new stamps. So, these stamps were supposed to be destroyed. Still, at least a couple of post offices sold some. In Greencastle, Indiana, a coin dealer named Julian Jarvis purchased a group of the Yellow Hats and cut them into blocks of 20 to use on registered mail.

We don't know how many other post offices might have accidentally sold these stamps. But eventually, one of the stamps found its way into the hands of a sharp-eyed collector, who realized it hadn't been officially issued. In 2007, Linn's Stamp News reported a cover stamped with two Yellow Hats, and mailed in upstate New York in 1999.



*First-Class Uncle Sam's Hat stamp issued on this date in 1998*

Only a small percentage of collectors can own this elusive modern rarity. The Yellow Hat is a rare and unique stamp that shouldn't exist. Only 230 of these stamps have been discovered in the more than 20 years since they were printed and sent to post offices, then mistakenly sold and used on mail. That means few collectors can ever get it into their albums. According to the Scott Specialized Catalogue of U.S. Stamps, "There is no evidence that these stamps were ever officially issued." To prove they mean what they say, the editors of the Specialized Catalogue have never assigned a Scott number to the Yellow Hat stamp. In spite of its having been distributed and used as postage on mail!

#### Why Was "H" chosen for these stamps?

The practice at the time the "H" stamps were issued was to print non-denominated stamps when postal rate increases were requested. It often took a long time for the Postal Rate Commission to make decisions on these requests. To be prepared, in 1978 the USPS began issuing stamps bearing letters representing each as-yet unknown rate. Denominated stamps could be issued after the rate was set. The Postal Service began by using letters A, B, C, and D, along with the USPS eagle. Then the postal folks got clever. The "E" stamp featured Earth, "F" a flower, and "G" the American flag ("Old Glory"). The years 1998 and 1999 brought the patriotic "H" stamps, showing Uncle Sam's hat on a white background. And as we now know, the "H" was also printed on the forbidden Yellow Hat postcard rate-change stamps.

The "H" Stamps were the last of the lettered stamps. They were also imprinted with the words "First Class Rate." Eventually "Forever" stamps eliminated the need for these non-denominated stamps, and are good for whatever the postage rate is at the time of usage.



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