

Is The US Penny Really Worthless?



We are hearing more negative talk about the US penny than ever before. What can a penny buy? Who would pick up a penny on the street? Do we really want all those pennies in our pocket or purse? Why bother to continue producing the penny?

The one-cent coin is often called a penny and was named after the British penny. However, the US Mint's official name for this coin is Cent. It was the first US coin to feature an American President. From its original creation, US pennies have been minted from steel, copper, streaks of brass, zinc, aluminum and bronze-clad steel. In 2009 the cent will get a one-year, four-coin commemorative program marking the 100th anniversary of Lincoln being placed on the cent and 200th year anniversary of President Lincoln's birth. Thus, 2008 will be the 49th anniversary and the last year that the Lincoln Memorial will be on the US penny. The composition for circulating issues will be copper-plated zinc.

There are approximately 8 billion pennies minted annually. There are approximately 150 billion US pennies in circulation today. For the first time in U.S. history, the cost of manufacturing a penny is more than the 1-cent value of the coin itself. Many of us ask, why produce it? American taxpayers take a significant loss to produce these coins. The cost of producing a US penny has been estimated to be 1.35 to 1.75 cents. There has been some discussion regarding the total elimination of the penny but nothing solid has been decided and is not even on the table for further discussion at this time. Congress recently held a hearing to review a proposal to save tax payers over \$100 million by using a cheaper metal to produce the penny.

COLLECTABLES: Americans usually receive pennies in their change but rarely use pennies to pay for anything because they are hardly worth the effort. However, there are some pennies worth more than a penny. The 1943 penny is a real copper penny worth about \$80,000.00. Though some of these dozen beauties have sold as low as \$10,000 the highest price given is a recorded \$112,500 as late as 1999. The rarest penny known to still exist in any form is the 1793. There are only four that we know of and that's why you are unlikely to ever find one, unless you find the missing 5th penny, if there even is one. These four are each valued at around \$275,000.00. One oddity of the penny was the Liberty where an h was substituted for the obvious b. The penny today is in shortage in some places through piggy bank and collector hoarding and often banks will trade a crisp dollar for less than 100 pennies.

Modern vending machines no longer accept our pennies. No one wants our pennies. One of the few vending machines that use a US penny is the Penny Press vending machines that flattens the penny and place a custom logo or design on the flattened coin to promote at tourist attractions. There is hardly anything in the US that can be purchased for 1 penny. Some people are hoarding pennies in the hope of melting them and selling the more precious metals. It is hardly worth your while to attempt such expensive procedures. By the time you melt the coins and separate out the metals and attempt selling the raw product, you will find yourself in a losing proposition unless the pennies were made of gold!

In my opinion, the only real reason for maintaining the US penny is sentimental and nostalgic value rather than practical worth.

For more information on the US penny or for a free info package on 100's varieties of vending machines, prices, pictures, vending machine educational materials and more, contact me at: 913 894 4979 or 800-397 8363 or visit us at: www.hanna-vending.com or email: charles@hanna-vending.com

