

This month's drawing winners!

George Baca won the 50/50 drawing

Rodney Laubhan, Dennis Gee and George Baca won the Blue ticket drawings.

Every month we have two drawings. A 50/50 drawing for all attendees and a Blue ticket drawing for members only

50% of the proceeds from the 50/50 goes to the club.

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AMARILLO PROSPECTORS & TREASURE HUNTERS ASSOCIATION

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Club News

Welcome to the November 2008 edition of the Prospectors & Treasure Hunters Newsletter

The program for November was presented by Jim Nichols and John London. Jim's demonstration was on Using a GPS Locator/receiver to log and locate coin hunting sites. John's portion of the program was on using GPS on remote locations to map treasure/prospecting sites with a laptop computer.

Great job guys

The "Cowpunchers Club hunt" was held on Nov. 15th. The Morning started with 27 degrees and clear skies. The meal consisted of various types of chili and cornbread, cooked by board members. About 17 hunters braved the cold from 9:AM till noon and the lunch break. Finds were displayed and photographed and then came the CHILI! WOW!! Five cooks entered the contest with Skip & Jenette Kendrick supplying the corn bread. There were no losers this day. All the chili was excellent, however, first place went to Keith Ferguson and his Buffalo meat Chili. After lunch we hunted until about 3:00 and called it a day. Lots of coins, good food and great friends. Everybody won!

The December meeting will be held from 5:30 to 9PM on Tuesday Dec. 9th @ Furr's Cafeteria, just North of I 40 on Soncy Rd. This Xmas Dinner/meeting will take a lot of time, Please be there by 5:30 month to start eating. Each member is responsible for his/her own meal. There will be a "White Elephant" style gift exchange and each member participating should bring a gift valued @ \$8 to \$15. There will be many drawings and tons of neat prizes. Drawing tickets are \$1 at the door. Blue & red tickets are six for \$5. There will be Grand Prize drawings that you don't want to miss!

Don't be Late!



STOUT GOLD AND SILVER

TOM STOUT  
Manager

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Amarillo, Texas 79106



**The Pictures above are from the clubs hunt at The Cow Punchers and some miscellaneous hunts throughout the month of November.**

Results of the survey for gold prospecting were very encouraging and all who had an interest seemed willing to take an extended trip. From the survey results we will plan a prospecting trip for last of July first of August 2009 to the Buena Vista area of the Arkansas River Valley in Colorado.

If you are members of GPAA and or The Gold Prospectors of Colorado you are in good shape for the trip. For those who are not and who wish to participate should become members of at least Gold Prospectors of Colorado as they have proven claims we can work. Address for the club is:

The Gold Prospectors of Colorado, PO Box 1593, Colorado Springs, CO 80901.  
Single is \$25.00 and family dues are \$30.00.

It takes a few weeks to get all forms and membership cards sent to you so all should do this during the first of year 2009.  
Bud Elliott & Rodney Laubhan, committee members.

We can discuss this and the wheat penny raffle at the dinner meeting.

Don't forget--- Tuesday, Dec. 9<sup>th</sup>- Furr's cafeteria on Soncy road 5:30 sharp.

**MERRY CHRISTMAS**

See you all at the meeting!

# What are Sales Tax Tokens?

What two things are sure in life – Death and Taxes. Unfortunately or fortunately most of us have finished hoping. Lets hope that death is at least a little way off. The idea of sales taxation is not a new idea. The idea was borne in ancient cultures but is only written in history as having started with Greek emperor Aug AD and continuing until 60 AD under Nero. It then disappears until about the 12<sup>th</sup> century when it reappears in Europe. The first formal laws in Europe were passed in 1292 by France of 1/2% to be collected on the sale of goods except for food.

Modern taxation in the United States was first proposed in 1862 during the Civil War as the Union government struggled with finding a way to pay for what appeared to be a long term and expensive civil war. The proposal was for a 1% National tax. The tax bill was tabled and never was acted upon. Then in 1921 a national sales tax of 1% was again proposed to help pay for the debt incurred during World War I. Again this measure was defeated, but not before tokens had already been produced. The tokens were supposedly all destroyed.

In 1921 West Virginia was the first state to pass legislation for a sales tax. In 1929 Georgia passed similar legislation but neither took the time to figure out how to enforce or implement the system, so there was no progress.

In 1933 eleven states passed legislation for sales tax and by 1940 over 30 states had enacted legislation and systems for sales tax collection due to the success of the early programs at generating revenue for the state. April 1 to May 10, 1933 Kewanee, IL was the first city in the nation to produce and use sales tax tokens for a 3% tax. It is 16 mm in diameter and made of copper. The Illinois state supreme court struck its use down and they were removed from circulation just a few weeks after issue. July 1 that same year a 2% sales tax was passed and the tokens again circulated.

Michigan and California also passed similar legislation in 1933, followed by Ohio in 1934. In 1935 Washington state caused a stir when their tax laws were passed and implemented on May 21, 1935. The US government and treasury department filed suit against the state of Washington claiming the use of sales tax tokens as an assault on US coinage. The governor of Washington refused to back down and the issue was tabled by the government.

On July 2, 1935 the Illinois state government issued state tax tokens. And the local tokens were removed from circulation slowly. July 10<sup>th</sup> just eight days later the state of Illinois was asked to cease the distribution of its round tokens because they were too much like US dimes. The state was forced to change their design. This resulted in the production of square pieces 16mm x 16mm.

On July 22<sup>nd</sup> the United States government backed by President Roosevelt and Treasury Secretary Henry Morgenthau proposed a 1/2 cent and a 1/10<sup>th</sup> cent coin in copper and aluminum respectively. These coins were never produced and the idea was effectively abandoned on August 21<sup>st</sup>.

In late July New Mexico issued its tokens that it had held awaiting the US government resolution. In August Missouri issued its Milk-Cap tokens (called this because they resembled a milk cap and were produced in Kansas City by a prominent milk bottle cap manufacturer. You have both of these in your packets also. September 1, Colorado issued their tokens and in all 12 states issued sales tax tokens. Ohio, Kentucky, West Virginia, North Carolina and Michigan issued paper stamp or punch card systems that are not considered to be part of the 12 state token issues.

Even when some state governments refused to issue sales tax tokens, many businesses issued them on their own to help their customers (e.g., California). Local issues are primarily associated with Washington and Illinois, but several other states including Kansas had a few. An interesting fact is that Kansas was the first state to suspend the token usage in July 1939 and Missouri was the last state to repeal the use of sales tax tokens from the books in 1961. Most states had already effectively stopped their usage after World War II. They lost favor during the war due to the additional complication of ration tokens and stamps.

## How and why were they used?

Merchants had to pay sales tax to the state on the total amount of sales made by the merchant during each day's sales. You can imagine that if the sales tax rate is 3% and a child buys a 10c piece of candy there is no way to collect the three-tenths of one cent. If you rounded down that meant that the merchant could not collect anything for the tax. If you rounded up the state was gaining 7 tenths of a cent on every 10 cent sale. You can see that if the merchant sold 100 pieces of candy he was losing 30 cents a day in tax revenues to the state, so the token was born. This allowed the merchant to take 11 cents for the first piece of candy and give change back in mills. The next time you wanted to buy a 10c candy you could present the merchant with the 10c and a token and complete the transaction. This allowed the merchant to collect the sales tax on each transaction.

A mill is  $1/1000^{\text{th}}$  of a dollar or a tenth of a cent. As you can imagine, people did not like having to carry a second set of coins, and to further complicate matters, different states issued different tax tokens. 1 and 5 mills are the most common denominations, but other denominations include: 1/5 cent, 1 1/2 mills, and "Tax on 10c or less."

There are over 500 different sales tax tokens that can be collected from 13 commonly issued states. I include Ohio stamps because most of the collectors do to. There is also anti-sales tax token memorabilia from many other states to collect. Most tokens are inexpensive and fairly easy to come by. All in all over a billion sales tax tokens are estimated to have been produced. Most coin dealers have no idea what to charge for these tokens, Many tax tokens are quite common, and can often be found in coin dealer "junk boxes" for as little as 10 cents. Others tokens are known to be much scarcer, however they too sometimes show up in "junk boxes" from time to time. A few, such as the New Mexico 5 mill black fiber are truly rare, and worth up to \$100. There are also much sought after pattern tokens made by the manufacturers to win the contracts for minting from the states that issued them.

There are state sponsored and issued tokens as well as "Provisional Issues" from specific towns and specific states, usually Illinois and Washington. These are much scarcer than the state issues, but prices are still fairly low, as there are a limited number of dedicated collectors. In addition to tokens many towns printed sales tax "tickets" or scrip (sometimes spelled script) printed on paper or cardboard stock, usually on vibrant colors or security patterns. As you can imagine the survivability of 70 year old cardboard and paper is not very high. Best of all there are only two grades for sales tax tokens, circulated and uncirculated. This allows almost anyone with a modest education in coin collecting and any budget to collect sales tax tokens without losing their wallet or their interest.

State issued sales tax tokens vary widely. Copper, brass, paper, cardboard, fiber, aluminum, zinc, plastic and even wood were used. Many were colored. The language ranged from Arizona's practical: "to make change for correct sales tax," to blunt in Louisiana: "Public Welfare Tax Token" and Oklahoma: "For Old Age Assistance." Perhaps my favorite is Missouri's second generation Milk-Cap token. "... helping to pay for old age pensions, support of public schools, care of poor insane and tubercular patients in state hospitals and relief of needy unemployed in the state of Missouri."

There was a national sales tax proposed in 1921 that was taken to such a point that many millions of fiber tokens were printed and when the legislation was shelved they were all destroyed. Or so it was thought, there have been rumors of 4 to 6 pieces in existence.

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## Using a GPS Receiver when Metal Detecting

When people talk about "a GPS," they usually mean a GPS receiver. The Global Positioning System (GPS) is actually a constellation of 27 Earth-orbiting satellites (24 in operation and three extras in case one fails). The U.S. military developed and implemented this satellite network as a military navigation system, but soon opened it up to everybody else.

Each of these 3,000- to 4,000-pound solar-powered satellites circles the globe at about 12,000 miles (19,300 km), making two complete rotations every day. The orbits are arranged so that at any time, anywhere on Earth, there are at least four satellites "visible" in the sky.

A GPS receiver's job is to locate four or more of these satellites, figure out the distance to each, and use this information to deduce its own location. This operation is based on a simple mathematical principle called **trilateration**. Fairly recently Earth based stations were added to improve performance and accuracy called WAAS.

WAAS stands for Wide Area Augmentation System. Okay, so what the heck is it? Basically, it's a system of satellites and ground stations that provide GPS signal corrections, giving you even better position accuracy. How much better? Try an average of up to five times better. A WAAS-capable receiver can give you a position accuracy of better than three meters 95 percent of the time. And you don't have to purchase additional receiving equipment or pay service fees to utilize WAAS.

### The origins of WAAS

The Federal Aviation Administration (FAA) and the Department of Transportation (DOT) are developing the WAAS program for use in precision flight approaches. Currently, GPS alone does not meet the FAA's navigation requirements for accuracy, integrity, and availability. WAAS corrects for GPS signal errors caused by ionospheric disturbances, timing, and satellite orbit errors, and it provides vital integrity information regarding the health of each GPS satellite.

### How it Works

WAAS consists of approximately 25 ground reference stations positioned across the United States that monitor GPS satellite data. Two master stations, located on either coast, collect data from the reference stations and create a GPS correction message. This correction accounts for GPS satellite orbit and clock drift plus signal delays caused by the atmosphere and ionosphere. The corrected differential message is then broadcast through one of two geostationary satellites, or satellites with a fixed position over the equator. The information is compatible with the basic GPS signal structure, which means any WAAS-enabled GPS receiver can read the signal.

### As your detecting

- Mark older coins or special finds for mapping software on pc
  - You could build up a profile of a site over time
  - Layering repeat visits will reveal possible efficient search patterns
  - Plan visits based on intervals of material deposits
- Let's you see on a map where you finds are relative to each other
  - Mark finds at locations where you have searched
    - Don't repeat searches on same property
    - Look for patterns
    - Clues where to search other properties

- Revisit to make sure you didn't miss anything
  - Confirm areas, via map, in city where your best finds occur
- Mark all coins on your "quarter corner"
  - You could build up a profile of a site over time
  - Layering repeat visits will reveal possible efficient search patterns
  - Plan visits based on intervals of material deposits
  - Patterns may be unveiled, short cuts, resting areas
  - Frequency of repopulation of coins vs. area shape and size
- Use the "track" to monitor your search path and coverage insure proper coverage
- If you find something of historical value the GPS position might be of interest to museum, colleges, etc.

### **Getting Waypoints before a search**

- Using online service like Google Maps look at area you want to search with satellite view
  - Determine points of interest (Trails, foundations, choke points, etc.)
  - Get GPS coordinates using the RIGHT CLICK (Drive to here) and transfer to your map program
  - After you get all your points (waypoints) loaded onto mapping software upload to GPS
  - At site use the GOTO to first waypoint on GPS
  - As you use it you will get better at determining possible search criteria from maps with aid of GPS
  - Adds an extra tool for the gizmo addict (like me)
- Jim Nichols