

1933 Executive Order

Below is the Executive Order that enabled Roosevelt to confiscate gold in 1933. Today the government still maintains that power through, Title 12, Chapter 2, Subchapter IV, Section 95a, which provides in part:

"During the time of war, the president may, through any agency that he may designate, and under such rules and regulations as he may prescribe, by means of instructions, licenses, or otherwise -- (A) investigate, regulate, or prohibit, any transactions in foreign exchange, transfers of credit or payments between, by, through, or to any banking institution, and the importing, exporting, hoarding, melting, or earmarking of gold or silver coin or bullion, currency or securities. ..."

Notice that coins or bills of NUMISMATIC value is not mentioned, as was the case in 1933, in fact numismatic gold coins were excluded from confiscation in 1933. Many countries around the world have prohibited the holding of gold while allowing the ownership of numismatic gold coins. That is one reason that numismatic gold and silver coins have become such a popular form of ownership among U.S. citizens today.

Copy of 1933 Executive Order

Forbidding the hoarding of gold coin, gold bullion and gold certificates.

By virtue of the authority vested in me by Section 5 (b) of the Act of October 6, 1917, as amended by Section 2 of the Act of March 9, 1933, entitled "An act to provide relief in the existing national emergency in banking, and for other purposes", in which amendatory Act Congress declared that a serious emergency exists. I, Franklin D. Roosevelt, President of the United States of America, do declare that said national emergency still continues to exist and pursuant to said section do hereby prohibit the hoarding of gold coin, gold bullion, and gold certificates within the continental United States by individuals, partnerships, associations and corporations and hereby prescribe the following regulations for carrying out the purposes of this order:

Section 1. For the purposes of this regulation the term "hoarding" means the withdrawal and withholding of gold coin, gold bullion or gold certificates from the recognized and customary channels of trade. The term "person" means any individual, partnership, association or corporation.

Section 2. All persons are hereby required to deliver on or before May 1, 1933, to a Federal reserve bank or branch or agency thereof or to any member bank of the Federal Reserve System all gold coin, gold bullion and gold certificates now owned by them or coming into their ownership on or before April 28, 1933, except the following:

- (a) Such amount of gold as may be required for legitimate and customary use in industry, profession or art within reasonable time, including gold prior to refining and stocks of gold in reasonable amounts for the usual trade requirements of owners mining and refining such gold.
- (b) Gold coin and gold certificates in an amount not exceeding in the aggregate \$100.00 belonging to any one person, and gold coins having a recognized special value to collectors of rare or unusual coins.
- (c) Gold coin and bullion earmarked or held in trust for a recognized foreign government or foreign central bank or the Bank for International Settlements.
- (d) Gold coin and bullion licensed for other proper transactions (not involving hoarding) including gold coin and bullion imported for re-export or held pending action on application for export licenses.

Section 3. Until otherwise ordered any person becoming the owner of any gold coin, gold bullion or gold certificates after April 28, 1933, shall, within three days after receipt thereof, deliver same in the manner prescribed in Section 2; unless such gold coin, gold bullion or gold certificates are held in any of the purposes specified in paragraph (a), (b) or (c) of Section 2; or unless such gold coin, or gold bullion is held for purposes specified in paragraph (d) or Section 2 and the person holding it is, with respect to such gold coin or bullion, a licensee or applicant for license pending action thereupon.

Section 4. Upon receipt of gold coin, gold bullion or gold certificates delivered to it in accordance with Section 2 or 3, the Federal reserve bank or member bank will pay therefor an equivalent amount of any form of coin or currency coined or issued under the laws of the United States.

Section 5. Member banks shall deliver all gold coin, gold bullion and gold certificates owned by them (other than as exempted under the provision of Section 2) to the Federal Reserve banks of their respective districts and receive credit or payment therefor.

Section 6. The Secretary of the Treasury, out of the sum made available to the President by Section 501 of the Act of March 9, 1933, will in all proper cases pay the reasonable cost of transportation of gold coin, gold bullion or gold certificates delivered to a member bank or Federal reserve bank in accordance with Section 2, 3, or 5 hereof, including the costs of insurance, protection, and such other incidental costs as may be necessary, upon production of satisfactory evidence of such costs. Voucher forms for this purpose may be procured from the Federal Reserve banks.

Section 7. In cases where the delivery of gold coin, gold bullion or gold certificates by owners thereof within the time set forth above will involve extraordinary hardship or difficulty, the Secretary of the Treasury may, in his discretion, extend the time within which such delivery must be made. Applications for such extension must be made in writing under oath addressed to the Secretary of the Treasury and filed with a Federal reserve bank. Each application must state the date to which the extension is desired, the amount and location of the gold coin, gold bullion and gold certificates in respect of which such application is made and the facts showing extension to be necessary to avoid extraordinary hardship or difficulty.

Section 8. The Secretary of the Treasury is hereby authorized and empowered to issue such further regulations as he may deem necessary to carry out the purposes of this order and to issue licenses thereunder, through such offices or agencies as he may designate, including licenses permitting the Federal reserve banks and member banks of the Federal Reserve System, in return for an equivalent amount of other coin, currency or credit, to deliver, earmark or hold in trust gold coin and bullion to or for persons showing need for the same for any of the purposes specified in paragraphs (a), (c) and (d) of Section 2 of these regulations.

Section 9. Whoever willfully violates any provision of this Executive Order or of these regulations or of any rule, regulation or license issued there under may be fined not more than \$10,000 or if a natural person, may be imprisoned for not more than ten years, or both, and any officer, director or agency of any corporation who knowingly participates in any such violation may be punished by a like fine, imprisonment or both.

This order and these regulations may be modified or revoked at any time.

Franklin D. Roosevelt
The White House
April 5, 1933