

Canal Zone Liquor Tax Stamps

By a Treaty of Mutual Understanding and Cooperation between the governments of the United States and Panama, all liquor of more than 3.2% alcohol by weight sold in the Canal Zone could be imported only through Panama and subject to 25% of the normal Panama import duty. The Treaty entered into force on August 23, 1955.

In order to clearly segregate and identify such liquor that paid only the reduced tax, Panama printed special tax stamps. Some were engraved or lithographed, while others were made by a Pitney-Bowes meter. In addition, several Panama liquor stamps were overprinted by a rubber handstamp to designate use in the Canal Zone. Fig. 1 shows a 20c overprinted ZONA DEL CANAL and may have been used before the regular stamp was available. Fig. 2 is similar to No. R16 and may have been a provisional. Possibly other Panama stamps were overprinted.

Although No. R1 is inscribed with a decree of 1925, it could not have been used at that time because the Prohibition Amendment to the U.S. Constitution was in force and liquor sales in the Canal Zone were illegal between 1919 and 1933. It was probably used in 1955.

All of the engraved and lithographed stamps are denominated in the container size, except for No. R1. The word "botella" was probably equal to either one quart, or a fifth; the 1/16 litro was used on miniatures.

On the other hand, all of the meters have the denomination in balboas, and fractions thereof. A balboa is equal to one U.S. dollar. It should be noted that meters printed in blue were used only for liquor sold in Panama; all Canal Zone meters are in carmine or dark red.

Most of the liquor tax stamps are damaged to some extent as they were glued over the bottle cap. Many of the stamps are rare in any condition.

Lawson P. Entwistle

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fig. 1



fig. 2



R1

Estrella de Panama imprint. Size: 150mm x 16mm. Perf. 12½ x 13.

1955(?)

R1 20c red orange



R2

Estrella de Panama imprint. Perf. 12½.

1956

R2 1/16 litros black, size 118mm x 12mm

R3 ½ botellas black, size 155mm x 16mm

R4 botellas black, size 155mm x 16mm



R5

Thomas De La Rue & Co. Ltd. imprint. Size: 121mm x 12mm. Perf. 13.

1956

R5 1/16 litros black



R6

Thomas Del La Rue & Coy. Ltd. imprint. Size: 154mm x 17mm. Perf. 14.

1961

R6 1/16 de litro green

R10 litros black

R7 1/3 de litro orange brown

R11 ½ botellas brown

R8 ¼ de litro blue

R12 botellas carmine lake

R9 litros carmine

R13 botellas carmine

a. botellas light carmine



R14

La Estrella de Panama imprint. Size 154mm x 17mm.

19??

R14 Litros light carmine lake



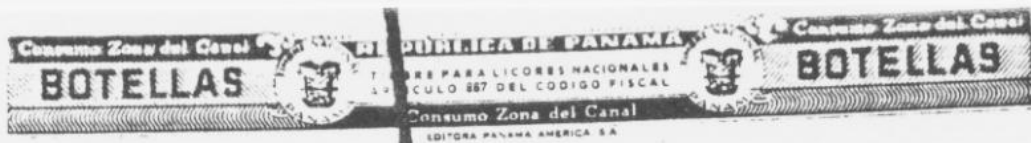
R15

Estrella de Panama imprint, size 116mm x 12mm. Perf. 12½ x 13.

Overprinted in black in two lines: 10c HABILITADO 20c / Decreto numero 80 de 1962

1962

R15 20c on 2½c red orange



R16

Editora Panama America S.A. imprint. Size 156mm x 10mm. Perf. 12,
1966

• R16 botellas carmine



R17

No. R5 re-valued and overprinted: LITRO HABILITADO LITRO / Decreto Ejecutivo No.
18 de 6 de Febrero de 1974. In carmine.

1974

R17 ¼ de litro on 1/16 litro black

• R18 litro on 1/16 litro black

a. rose carmine overprint



R19

No. R6 re-valued and overprinted: BOTELLA HABILITADO BOTELLA / Decreto Ejecutivo
No. 18 de 6 de febrero de 1974. In carmine.

• R19 botella on 1/16 litro green



R20

No. R13 re-valued and overprinted: Consumo Zona del Canal HABILITADO Consumo Zona
del Canal / 1/8 LITRO Decreto Ejecutivo No. 124 1/8 LITRO / de 15 de Octubre
de 1974. In black

1974

• R20 1/8 litro on botellas carmine



R21

Panama 1/8 litro re-valued and overprinted: Consumo Zona del Canal HABILITADO
Consumo Zona del Canal / LITRO Decreto Ejecutivo No. 22 LITRO / (de 21 de
abril de 1975. In red.

1975

• R21 litro on 1/8 litro purplish brown of Panama



R22

Panama litros overprinted: LITRO HABILITADO LITRO / Consumo Decreto Ejecutivo No.
15 / Zona del Canal de 26 de junio de 1976 Zona del Canal. In black.

1978

Litro on litro plate black of Panama

METERS

All meters used for Canal Zone liquor sales were printed in carmine or dark red; those printed in blue were used in Panama. Printed on gray safety paper watermarked "REPUBLICA DE PANAMA"; watermark found reading normal or inverted on most denominations.

A red border indicates that the roll of paper was nearing its end; examples showing this command a premium, especially if continuous for the full length of the meter impression.



LEY 81 de 1961. Meter No. 503

LM1 B3.00 carmine

LM2 B4.00 carmine



LEY 81 de 1961. Meter No. 600

LM3 B1.00 carmine

LM4 B2.00 carmine

a. handstamp reading "PARA LA ZONA DEL CANAL" in ultramarine.

a. inv. watermark

LM5 B3.00 carmine

a. inv. watermark



LEY 81 de 1961. Meter No. 601

LM6 B0.00 carmine

LM8 B2.00 carmine

a. inv. watermark
b. "PANAMA" and "0.00" obliterated by six vertical bars.

a. inv. watermark

LM9 B3.00 carmine

a. inv. watermark

LM7 B1.00 carmine

LM10 B4.00 carmine

a. handstamp reading "PARA LA ZONA DEL CANAL" in purple.
b. same as "a" in ultramarine.

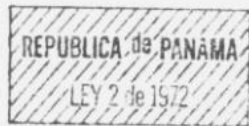
a. inv. watermark
b. handstamp reading "Para Consuma de la Zona de Canal" in ultramarine.

NOTE: LM5 used for liquor consumed at the U.S. Embassy to indicate its tax-free status.



LEY 2 de 1972. Meter No. 600

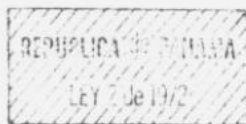
- | | | | |
|------|---------------------------|------|---------------|
| LM11 | B2.00 carmine | LM12 | B3.00 carmine |
| | a. inv. watermark | | a. dark red |
| | b. dark red | LM13 | B4.00 carmine |
| | c. as "b", inv. watermark | | b. dark red |



LEY 2 de 1972. Meter No. 601

- | | | | |
|------|----------------------|------|-------------------|
| LM14 | B0.00 carmine | LM18 | B3.00 carmine |
| LM15 | B0.50 carmine (1977) | | a. inv. watermark |
| | a. inv. watermark | LM19 | B3.50 carmine |
| LM16 | B2.00 carmine | | a. inv. watermark |
| | a. inv. watermark | LM20 | B4.00 carmine |
| LM17 | B2.50 carmine | | a. inv. watermark |
| | a. inv. watermark | LM21 | B4.50 carmine |
| | | | a. inv. watermark |

NOTES: LM14 used for liquor consumed at the U.S. Embassy to indicate its tax-free status. LM15 was printed for use in combination with LM16.



LEY 2 de 1972. Meter No. 601

- LM22 B3.60 carmine ERROR. value and "PANAMA" crossed out by six vertical bars.



LEY 2 de 1972. Meter No. 600 (1977)

(last "0" damaged and looks like an "8")

- | | | | |
|------|-------------------------------|------|-------------------------------|
| LM23 | B2.50 carmine, inv. watermark | LM24 | B3.50 carmine, inv. watermark |
| | | LM25 | B4.50 carmine, inv. watermark |

NOTE: These denominations issued in 1977 because of increase in Panama liquor tax.