

UNITED  
STATES  
MINT



SMALL  
BUSINESS  
COMPLIANCE  
GUIDE

September 2024  
**Small Entity Compliance Guide**  
**Bent and Partial Coin Redemption Regulations**

**Introduction**

This guide was prepared by the United States Mint as a “small entity compliance guide” under Section 212 of the Small Business Regulatory Enforcement Fairness Act of 1996, as amended. This guide summarizes and explains the rules adopted by the United States Mint, a bureau of the Department of the Treasury, but is not a substitute for any rule itself.

**Purpose of This Regulatory Action**

The United States Mint is amending the regulations relating to the exchange of bent and partial coin under 31 C.F.R. Part 100.

**Summary of the Major Provisions**

This final rule removes Treasury regulations relating to the exchange of bent, partial, fused, and mixed coins. The removal will end the exchange program for bent and partial coin.

**Compliance Date for Entities Subject to These Regulations**

The United States Mint published a Federal Register notice on September 25, 2024 announcing the implementation date of these regulations, which are effective October 25th, 2024.

**Entities Subject to the Rule**

Prior to their removal, the regulations did not directly regulate any entities. The redemption of uncurrent, bent, or partial coins was a discretionary service offered to the public; past participation was voluntary. The removal of the regulations and the end of the redemption program affects institutions or individuals that have bent or partial coin, but does not regulate any entity.

**Description of (and Where Feasible) an Estimate of the Number of Small Entities to Which the Regulations Will Apply**

The number of entities tendering significant quantities of coins for redemption in the past has been small. A large number of entities redeeming coins in the past were individuals, not businesses. A wide variety of businesses, such as municipal entities, recyclers, coin processors, amusement parks, auto shops, and waste management companies have applied for coins to be redeemed in the past. Data on the number of small entities voluntarily submitting coins to the redemption program was not provided by any commenters in response to this rulemaking. Likewise, the United States Mint does not have data within its possession regarding the numbers of small entities submitting coins.

**Description of the Projected Reporting, Recordkeeping, and Other Compliance Requirements of the Regulations (Including an Estimate of the Classes of Small Entities That Will Be Subject to the Requirements and the Type of Professional Skills Necessary for Preparation of the Report or Record)**

The United States Mint has not identified any reporting, recordkeeping, or other compliance requirements associated with the proposed rule.

**Other Resources**

The final rule published can be found on the Federal Register's website at: [www.federalregister.gov/documents/exchange-of-coin](http://www.federalregister.gov/documents/exchange-of-coin)

The final rule provides guidance on disposing of coins:

There is no prohibition on melting dimes, quarters, half-dollar, and dollar coins for non-fraudulent purposes. 18 U.S.C. § 331 addresses certain behavior that is conducted with the intent to defraud and does not address coins melted without fraudulent intent and consistent with 31 C.F.R. Part 82.

While there is a prohibition against melting pennies and nickels, there is a specific exception at 31 C.F.R. § 82.2 for coins melted or treated incidental to recycling other materials if (1) the coins were not added to the other materials for their metallurgical value, (2) the volumes of the coins, relative to the volumes of the other materials recycled, makes it clear that the presence of such coins is merely incidental, and (3) the separation of the coins from the other materials would be impracticable or cost prohibitive. See 31 C.F.R. § 82.2(c). This exception extends to the melting of coins that become mutilated due to treatment that is itself within the scope of the exception. If an exception does not apply, then applications for licenses to melt pennies and nickels should be transmitted to the Director, United States Mint; 801 9th Street, NW; Washington, DC 20220. See 31 C.F.R. § 82.2(f).

**Contacting the United States Mint**

The United States Mint is happy to assist small entities with questions regarding the closure of exchange program for bent and partial coin. Please direct questions to [inquiries@usmint.treas.gov](mailto:inquiries@usmint.treas.gov).