

108TH CONGRESS
1ST SESSION

H. R. 2777

To prohibit the Secretary of the Treasury and the Board of Governors of the Federal Reserve System from including any information storage capability on the currency of the United States or imposing any fee or penalty on any person for the holding by such person of currency of the United States, including Federal reserve notes, for any period of time.

IN THE HOUSE OF REPRESENTATIVES

JULY 17, 2003

Mr. PAUL introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To prohibit the Secretary of the Treasury and the Board of Governors of the Federal Reserve System from including any information storage capability on the currency of the United States or imposing any fee or penalty on any person for the holding by such person of currency of the United States, including Federal reserve notes, for any period of time.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Currency ‘Carry Tax’
3 Prohibition Act of 2003”.

4 **SEC. 2. CERTAIN CURRENCY PROVISIONS PROHIBITED.**

5 (a) UNITED STATES CURRENCY NOTES.—Section
6 5115 of title 31, United States Code, is amended by add-
7 ing at the end the following new subsections:

8 “(c) INFORMATION STORAGE CAPABILITY PROHIB-
9 ITED.—The Secretary may not include any information
10 storage capability on United States currency notes.

11 “(d) HOLDING FEE PROHIBITED.—The Secretary
12 may not impose any fee or penalty on any person for the
13 holding by such person of any United States currency note
14 for any period of time.”.

15 (b) FEDERAL RESERVE NOTES.—

16 (1) INFORMATION STORAGE CAPABILITY PRO-
17 HIBITED.—The 8th undesignated paragraph of sec-
18 tion 16 of the Federal Reserve Act (12 U.S.C. 418)
19 is amended by adding at the end the following new
20 sentence: “The Secretary of the Treasury and the
21 Board may not include any information storage ca-
22 pability on any Federal reserve note.”.

23 (2) HOLDING FEE PROHIBITED.—The 1st un-
24 designated paragraph of section 16 of the Federal
25 Reserve Act (12 U.S.C. 411) is amended by adding
26 at the end the following new sentence: “The Board

1 may not impose any fee or penalty on any person for
2 the holding by such person of any Federal reserve
3 note for any period of time or in connection with a
4 redemption under the preceding sentence.”.

○