The End of Penny Production

FAQ & Essential Information on the Government Discontinuation of the Penny

Following Executive Directive February 9, 2025, the United States Mint has suspended production of the one-cent coin for general circulation. To ensure our customers experience a seamless transition, Crest Savings Bank has compiled the following comprehensive guide addressing bank operations, cash transactions, and commercial practices.

Frequently Asked Questions

1. Why has the government stopped making pennies? The decision was primarily driven by the escalating cost of manufacturing and distributing the coin. Over the past decade, the cost to produce a single penny surged over 250%, leading the Secretary of the Treasury to determine that production was no longer financially viable. Suspending circulating production is projected to save the government approximately $56 million annually.

2. Will pennies still be considered legal tender? Yes. All existing pennies in circulation remain official legal tender. There are an estimated 114 billion pennies currently circulating across the nation, and you may continue to use them freely for retail purchases, account deposits, loan payments, and any standard banking transaction.

3. Can I still deposit physical pennies at Crest Savings Bank? Absolutely. Branches will continue to accept your penny deposits in coin rolls or in bulk exactly as we do today. The government has established no deadline for depositing pennies.

4. Will the bank provide pennies for commercial coin orders or cash withdrawals? We will continue to fulfill penny withdrawals and commercial coin orders as long as our inventory lasts. However, because the U.S. Mint has ceased producing circulating pennies, the total supply will naturally decline over time, and Crest may limit penny orders based on localized availability.

5. How will this change affect everyday cash transactions? As physical pennies become more scarce, retail businesses have the option to round final cash transaction totals to the nearest nickel (five cents). It is critical to note that rounding applies only to the final cash total at checkout, not to individual item prices. ***All electronic transactions—including credit cards, debit cards, mobile wallets, and ACH transfers—remain entirely unaffected and will continue to settle to the exact single cent.***

6. Will this change affect my account balances, loans, or interest calculations? No. Your accounts, interest accumulations, and loan payments will continue to be tracked and calculated to the precise cent. Only the availability of the physical coin is changing.

7. Can pennies be melted down now that production has ceased? No. It remains strictly prohibited under federal regulations (31 C.F.R. § 82.2(f)) to melt, treat, or export U.S. pennies and nickels. The coins must remain in their original form to preserve the active circulating currency supply.

Key statistics referenced herein are drawn from the U.S. Mint Penny FAQs and the U.S. Department of the Treasury Penny Production Cessation FAQs and are accurate as of July 17, 2026. Subject to change as government policy develops.

As of the publication date of this document, the government has not established a deadline for depositing pennies. Crest Savings Bank recommends monitoring official U.S. Treasury and U.S. Mint announcements for any future updates.

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Action Plan & Best Practices

For Individuals:

• ***Roll and Redeem:*** Gather your spare pennies from coin jars, drawers, or vehicles. Bring them into any Crest Savings Bank branch to deposit into your account or exchange them for higher-value currency.

• ***Utilize Digital Payments:*** Use cards, online banking, or mobile wallets whenever possible to completely bypass cash rounding at retail checkouts.

• ***Anticipate Cash Rounding:*** Keep a small supply of nickels on hand to ensure smooth, efficient transactions when paying with cash at local retailers.

For Small Businesses:

• ***Review POS Systems:*** Ensure your point-of-sale registers or billing software are updated to accurately handle cash rounding math if your business decides to implement it.

• ***Post Clear Disclosures:*** If your business transitions to rounding cash totals, place highly visible notices at registers to properly inform your customers.

• ***Promote Tap-to-Pay:*** Encourage digital payment methods like mobile wallets and tap-to-pay to optimize checkout speed and minimize your reliance on physical coin inventory.

• ***Adjust Coin Ordering:*** Monitor your change drawers closely and plan for a gradual reduction in penny orders as regional terminal inventories deplete.

For further official updates, you may visit the websites of the United States Mint, the Federal Reserve, or the American Bankers Association.