

# The End of the Penny



## What It Means for You

The U.S. Department of the Treasury has officially ended production of the penny, marking a historic shift in American currency. While the penny remains legal tender, banks and credit unions—including Circle Federal Credit Union—can no longer order new pennies from the Federal Reserve. This change is already impacting retailers, banks, and consumers across the country.

### Why Is Penny Production Ending?

The decision stems from rising production costs. According to the U.S. Mint's 2024 Annual Report, producing and distributing a single penny costs 3.69 cents, nearly four times its face value. This resulted in an \$85 million loss for the U.S. Mint in 2024 alone.

President Trump directed the Treasury to halt penny production in early 2025. The final order for penny blanks was placed in May 2025, and the last shipments to Federal Reserve coin distribution centers occurred in August. As inventories deplete, banks are unable to fulfill new penny orders.

### What This Means for Circle FCU Members

- We will continue to provide pennies while our current supply lasts.
- We are no longer able to order pennies from the Federal Reserve or U.S. Treasury.
- Retailers and businesses may begin rounding cash transactions to the nearest nickel as pennies become unavailable.

### Tips for Consumers: Making the Most of Your Pennies

Even though new pennies are no longer being produced, existing ones are still legal tender. Here are some smart ways to use them:

- Cash Them In – bring your coins to our Niles or Edwardsville Branch coin machines.
  - Start Rounding – when paying with cash, expect totals to be rounded to the nearest five cents.
  - Consider Digital Payments – card and mobile payments remain exact and unaffected by rounding.
- This is a great time to explore digital options especially with our Mobile Banking & App features.

### Looking Ahead

Circle Federal Credit Union is committed to supporting our customers through this transition. We'll continue to monitor updates from the Federal Reserve and Treasury and share guidance as it becomes available.