

Penny Dreadful?



The Penny Is Going Away:
What Every Business Needs to Know



Lisa Henshall, MsEd

What is

a

Penny Dreadful?

A penny dreadful was
a cheap, serialized
Victorian-era booklet filled
with sensational tales of
crime, horror, and adventure,
costing just a penny and
targeting working-class
readers, hence the name
and its lurid content.



about the penny shift

Why the Penny Is Going Away: What Every Business Needs to Know

In 2025, the **U.S. officially stopped producing pennies** for general circulation. The cost to make them far exceeded their value—each penny cost 3.69¢ to mint in 2024. With growing supply-chain constraints and dwindling coin distribution, the U.S. Mint ceased penny production and the Federal Reserve reduced recirculation nationwide.

This has understandably led to local shortages, especially for small businesses that handle cash.

No lead time or plan was given to the businesses in the country by the government before the sudden demise of the currency.

Since tax rates still calculate to the cent, many business owners are left asking:

Now what?

Sources: U.S. Mint, Federal Reserve Reports



your own penny dreadful

What This Means for You

No More Pennies, No More Guessing

Your customers still expect fairness. But without pennies, businesses must decide how to handle those odd cash totals—without confusing customers or breaking tax compliance.

And, hopefully, while avoiding the inevitable meltdowns from “Karen” customers who are always looking for something - anything - to cause a scene over.

The good news?

the details →

You have options—and some can actually build trust and goodwill.



get the whole story

In 2025, the United States officially ended the production of pennies for general circulation due to economic inefficiency. The U.S. Mint reported that producing each penny cost more than its face value — approximately 3.69 cents per coin in 2024 — resulting in substantial losses for taxpayers. Consequently, the final pennies were struck in November 2025, marking the end of more than two centuries of penny minting. Pennies already in circulation remain legal tender, but no new coins are being created.

At the same time, the Federal Reserve has reduced the circulation of existing pennies, with many regional coin distribution centers no longer handling or redistributing them, leading to local shortages at banks and retail cash registers. Because many pennies are tucked away in jars, piggy banks, or drawers rather than circulating, the supply available for everyday transactions is drying up even faster than expected.

As a result, cash-based merchants are finding they no longer have enough pennies to make exact change, and they are having to rethink how to handle small amounts in everyday transactions.

Positive Reframe:

STOP ASKING:

“How do I handle the lack of pennies in my register and for my bookkeeping?”

START ASKING:

“How do I make this chaos a positive thing?”



redefine

ly disappear in practice), businesses don't lose money — but they do

your POS

This is not an accounting problem.

It's a communication + trust problem.

1. How the Math Actually Works (the calm-the-room part)

- Prices do not all round up
- Cash totals round to the nearest nickel
 - 1-2 → down
 - 3-4 → up
 - 6-7 → down
 - 8-9 → up
- Over time, it statistically evens out

Key line businesses can use:

“Rounding happens on the total, not individual items.”

2. Card vs. Cash (important distinction)

- Card / digital payments stay exact to the cent
- Only cash transactions are rounded
- Most customers already pay digitally, so impact is minimal

This is a huge reassurance point.

3. What Businesses Should Do Practically



- No debating, no defensiveness

Example:



redefine your POS

The Penny Shortage: Why Small Businesses Feel the Pinch First

The penny may be small, but its disappearance creates big, real-world headaches for small businesses. As penny production slows and circulation dries up, independent retailers, restaurants, and service businesses are the first to feel it. Cash drawers don't balance the way they used to. Customers question totals that don't "look right." Staff members hesitate at the register, unsure how to explain what's happening.

And because sales tax is still calculated to the cent, prices can't simply be rounded or adjusted behind the scenes without causing compliance issues. In short: **what used to be automatic now requires decisions, policies, and communication — all while a line of customers waits.**





real challenges

Where the Real Challenges Show Up

Small businesses may face:

- Awkward register moments when exact change isn't available
- Confusion or mistrust from customers unfamiliar with rounding practices
- Slower checkout times during peak hours
- Inconsistent handling between employees
- Pressure to “just figure it out” without guidance or support

None of this reflects poor management — it reflects a system changing faster than the tools small businesses are given to manage it.

We always

joke and we blame the government
for everything.

But this time

... it really kinda is their fault.

It's definitely not your fault.

But it has become your problem.



how will you handle a shortage?

Three Solid Options for Handling the Penny Shortage at the Register

Here are three practical, customer-friendly ways to deal with the shrinking penny supply without changing base prices or affecting tax calculations.

Okay, **disclaimer**, there are laws in different states, counties and cities that could mean one or more of these ideas are illegal. Please check first.

ideas incoming





round up and donate

How it works:

Instead of individually tracking pennies at checkout, designate a “Round Up & Donate” jar or log at the register. When a cash purchase totals a figure that would require pennies — for example, \$12.43 — the cashier rounds the cash total to the nearest nickel (e.g., \$12.45) and places the 2-cent difference in a donation pool. No physical pennies required. The business can then donate on their own schedule and preferences.

Why it works:

- ✓ Keeps transactions moving smoothly without needing exact change
- ✓ Avoids customer confusion or frustration over rounding rules
- ✓ Turns leftover “pennies” into community benefit (donations to charity, local causes, food banks, or even a small business tip fund)

pro tip

Clearly label the fund with a cause and tell customers where the fund goes — transparency increases participation and goodwill.



Pennies

for purpose

How it works:

Invite cash-paying customers to deposit penny amounts toward a store credit or rewards program. For instance, if cash change should include pennies and they're rounded up to the next nickel/dime, the cents saved get added to a rewards balance or "store credit jar" for future use. Simplify it with a "punch card" system with a punch for each penny.

Why it works:

- ✓ Makes pennies feel useful, not obsolete
- ✓ Encourages return visits and loyalty
- ✓ Avoids cash rounding complaints by offering a tangible future benefit

pro tip

Advertise the program at the register — e.g., "Pennies help you earn rewards!"



Exact

change bonus

How it works:

Encourage customers who do bring exact change (including pennies) to receive a small perk — such as a discount on their next item, a loyalty point, or entry into a monthly giveaway.

Why it works:

- ✓ Incentivizes customers to bring in spare change
- ✓ Helps keep pennies circulating longer
- ✓ Adds a fun, game-like element to your checkout

pro tip

Promotions like “Bring \$1.00 in pennies = 10% off your next purchase” or “Exact change gets you a loyalty stamp” make coin use feel positive rather than burdensome.



Penny free checkout (My favorite)

How it works:

Clearly post signage at the register that says:

“We’re now a penny-free zone! All totals will be rounded to the nearest nickel for cash transactions.

- *Ends in 1 or 2 cents (\$1.02) = round down to 0 cents (\$1.00)*
- *Ends in 3 or 4 cents (\$1.03) = round up to 5 cents (\$1.05)*
- *Ends in 6 or 7 cents (\$1.06) = round down to 5 cents (\$1.05)*
- *Ends in 8 or 9 cents (\$1.08) = round up to 10 cents (\$1.10)*

We appreciate your understanding.”

Train staff to explain it simply: “We round to the nearest five cents since pennies are no longer in use. We keep it fair!”

Why it works:

- ✓ Builds trust with transparency
- ✓ Makes rounding feel intentional and consistent
- ✓ Avoids misunderstandings at the moment of payment



Leave a
Penny
take a
Penny

How it works:

Bring back the old “Take-a-penny, leave-a-penny” tray, but update it to include nickels and dimes to deal with the broader coin gap. Customers can toss in their extra coins, or pull one if they need exact change.

Why it works:

- ✓ Encourages neighborly spirit
- ✓ Reduces cashier stress about perfect change
- ✓ Keeps coins in circulation longer

pro tip

Make it feel intentional and classy with a small sign like:

*“Help yourself or pass it on—because exact change is teamwork.”*w



Encourage Digital payment

How it works:

Post signs that say:

“Skip the penny problem: pay with card, tap, or app for exact totals.”

You could even offer a \$0.05 discount or loyalty point boost for digital payments (especially helpful for micro-businesses or mobile vendors who have coin headaches).

Why it works:

- ✓ Reduces coin handling
- ✓ Speeds up checkout
- ✓ Helps gently transition customers toward digital

pro tip

Promote tap-to-pay or QR pay with “Pay it forward” messaging for those who’d otherwise donate change.



Choose up or down?

How it works:

Give the power to the customer with a small prompt at the register:

“No pennies—would you like us to round up (to support ___ cause), or round down today?”

Why it works:

- ✓ Empowers customers to decide
- ✓ Adds meaning if you tie it to a cause or donation
- ✓ Makes rounding feel less arbitrary

pro tip

Use this with a visual counter or chalkboard: “\$104.27 donated since Jan 1 thanks to rounding!”



Penny Bank

Trade-in

How it works:

Host a monthly or quarterly “Change Drive” where customers can bring in coins (especially pennies) to exchange for store credit or a small discount.

Why it works:

- ✓ Gets idle change back into circulation
- ✓ Engages the community
- ✓ Adds foot traffic and repeat visits

pro tip

Partner with a local bank or non-profit to turn it into a shared event.



now...
update
your point of sale

Final Thoughts

While pennies are no longer being produced and shortages are affecting cash transactions nationwide, the experience at your register doesn't need to feel awkward or disruptive. With a little creativity, you can turn this change into customer engagement, community goodwill, or loyalty-building opportunities — all while keeping your operations smooth and tax rules compliant.

posters for you incoming



How to use these posters

A Simple Guide for Small Businesses

These posters are designed to reduce confusion, speed up checkout, and help your staff feel confident during the penny shortage.

You don't need to use all ten posters at once. Choose the ones that best fit how your business handles cash and customer interactions.

Step 1: Choose Your Policy

Decide how you'll handle transactions when exact change isn't available. Many businesses choose one of the following:

- Rounding to the nearest nickel
- Offering customers a choice (round, donate, or pay by card)
- Encouraging card payments for exact totals

Once your policy is set, consistency is key.

Step 2: Place Posters Where They're Seen

Posters work best when customers see them before the transaction:

- At the register or checkout counter
- Near the payment terminal
- On a small stand facing the customer

This prevents surprise and makes checkout smoother.



How to use these posters

Step 3: Train Your Staff

Make sure all staff members understand:

- Which policy your business is using
- How to explain it calmly and clearly
- Where donation jars or take-a-cent trays are located

A short team conversation goes a long way.

Step 4: Rotate as Needed

Some posters work better during busy hours, others during slower times.

For example:

- Use “Exact Change Appreciated” during peak rushes
- Use “Your Change, Your Choice” during off-peak hours

Flexibility keeps things stress-free.

Step 5: Thank Your Customers

A simple thank-you poster helps maintain goodwill. Most customers understand — and appreciate — transparency when it’s communicated clearly.

posters for you



Remember

**You don't have to be great to start,
but you have to start to be great.**

**Due to discontinuation of the penny,
we will be rounding to the nearest
nickle.**

Ends in 1 or 2 cents (\$1.02) = round down to 0 cents (\$1.00)

Ends in 3 or 4 cents (\$1.03) = round up to 5 cents (\$1.05)

Ends in 6 or 7 cents (\$1.06) = round down to 5 cents (\$1.05)

Ends in 8 or 9 cents (\$1.08) = round up to 10 cents (\$1.10)



We appreciate your understanding.

THIS IS HOW WE ROUND IT

Penny Shortage 2026



Ends in 1 or 2 cents (\$1.02) = round down to 0 cents (\$1.00)

Ends in 3 or 4 cents (\$1.03) = round up to 5 cents (\$1.05)

Ends in 6 or 7 cents (\$1.06) = round down to 5 cents (\$1.05)

Ends in 8 or 9 cents (\$1.08) = round up to 10 cents (\$1.10)

We appreciate your understanding.

Old school

TAKE-A-PENNY LEAVE -A-PENNY

*toss in extra coins
or grab one if you need exact change*



Take a penny! Leave a penny!



Penny shortages are here. Help us combat the emptiness in
our register with this communal penny stash.

need one? grab one!

have a handful? leave some behind for others.

Help yourself or pass it on, because exact change is teamwork.

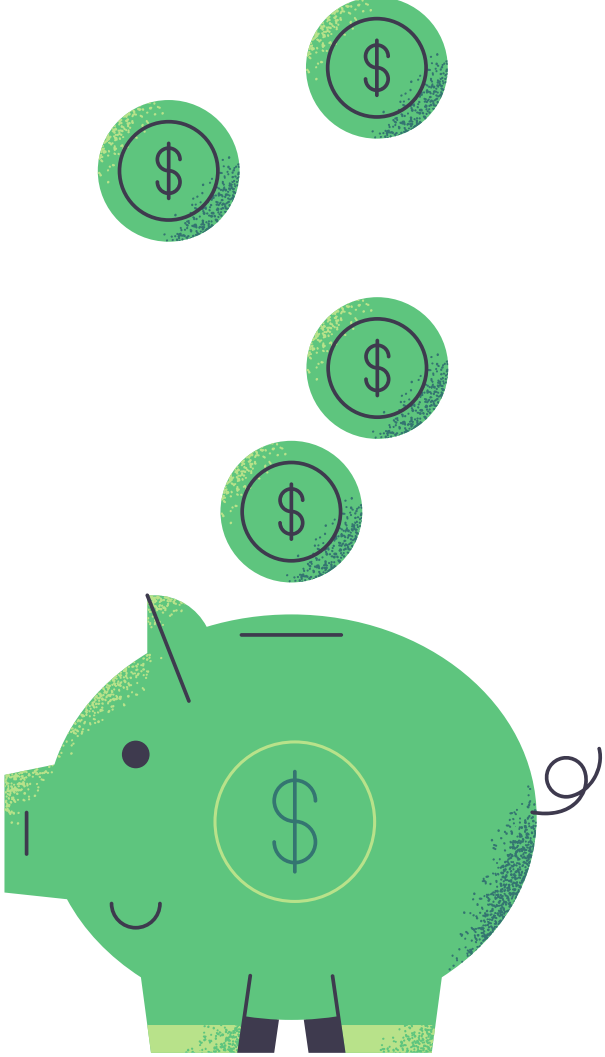


**PENNY
FREE
ZONE**



PENNY DONATION TRACKER

DATE		AMOUNT



PENNY DONATIONS WILL GO TO:



NO PENNY ZONE

**SKIP THE PENNY
PROBLEM: PAY WITH
CARD, TAP, OR APP
FOR EXACT CHANGE**



NO PENNY ZONE

**SKIP THE PENNY
PROBLEM: PAY WITH
CARD, TAP, OR APP
FOR EXACT CHANGE**

PENNIES *FOR* PUNCHES

**TRADE IN YOUR PENNIES
FOR EXTRA PUNCHES ON
OUR LOYALTY CARD!**



**POINT
CARD**

←
**PENNY
SHORTAGE
DRIVE**



How to find Me

Yes, you can be scared...

*but you're not doing this alone. I'm right here to help you shape,
refine, and carry this vision out into the world — one piece at a time.*

Lisa Henshall

Strategic Visibility for Women Reclaiming Their Voice

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