Why Special Mint Sets Were Created (1965–1967)

In the early 1960s, the United States was experiencing a severe coin shortage. Hoarding, rising commerce demands, and increased use of coin-operated machines drained circulation faster than the Mint could replace it.

At the same time, collectors were competing with the public for coins. The U.S. Mint had to prioritize circulation strikes over collector products.

So in 1965, the government made a major decision:

- **Proof sets were suspended (1965–1967)**
- **Mint marks were removed from coins (1965–1967)**
- A simplified collector product replaced proofs: the **Special Mint Set**

These sets were produced by the United States Mint, primarily at the Philadelphia Mint, during a period of extreme production strain.

What Exactly Is a Special Mint Set?

A Special Mint Set is **not a proof set**, but it is also **not a regular circulation set**.

Instead, it is a hybrid:

- Struck on better-than-normal production presses
- Higher quality control than business strikes
- Not fully polished like proofs
- Intended specifically for collectors

Each year (1965, 1966, 1967), the Mint produced these sets with a consistent goal:
“Better than circulation, but fast enough for mass production.”

The Coins Inside the Sets

Each Special Mint Set contained one example of every circulating denomination:

- Lincoln cent
- Jefferson nickel

- Roosevelt dime
- Washington quarter
- Kennedy half dollar

No mint marks appear on any coins in these years, which adds to confusion for collectors today.

How They Were Struck (What Makes Them "Special")

Unlike standard coins struck once on high-speed presses, SMS coins were produced with extra care:

1. Improved planchets

Blanks were cleaner and more carefully handled than circulation coins.

2. Better striking pressure

Dies were often newer or more carefully maintained, producing sharper detail.

3. Controlled production runs

Fewer coins per die compared to regular mass production.

4. Semi-frosted appearance

Many coins show a soft, satin-like finish rather than a mirror surface.

The result is a distinctive look often described as:

- Satin finish
- "Frosted metal" appearance
- Sharper rims and devices than circulation strikes

The Packaging of Special Mint Sets

One of the most recognizable features of SMS sets is their packaging.

1965–1967 packaging style:

- Coins sealed in **hard plastic holders**
- Each coin in a separate recessed compartment

- Holder enclosed in a **thin, heat-sealed plastic film**
- Placed inside a **plain outer envelope or sleeve**

Unlike earlier proof sets (which came in cardboard folders or cellophane), SMS packaging was designed for:

- Mass production efficiency
- Protection from handling damage
- Simple distribution through mail order

The packaging is minimal but functional—reflecting the Mint's priority during the coin shortage era.

1965, 1966, and 1967 Differences

Even though the sets look similar, each year has subtle distinctions:

1965 SMS

- First year of issue
- Some variation in strike quality
- Slightly more "business strike" appearance

1966 SMS

- More consistent satin finish
- Better die preparation
- Improved uniformity across denominations

1967 SMS

- Most refined of the three years
- Highest overall visual consistency
- Final year before proof sets returned in 1968

Why They Ended in 1967

By 1968, the coin shortage had eased, and the Mint was able to restart normal collector production:

- Proof sets returned
- Mint marks were restored
- Standard collector packaging resumed

The SMS program was never meant to be permanent—it was a temporary solution during a national coin production crisis.

Why Collectors Care Today

Special Mint Sets are popular because:

- They are historically tied to the coin shortage era
- They include early clad coinage (post-silver transition)
- Some coins show near-proof-like surfaces
- High-grade examples are significantly harder to find

Certain SMS coins—especially sharply struck examples of the Kennedy half dollar—can resemble proofs so closely that grading services carefully distinguish them.

In Summary

The 1965–1967 Special Mint Sets represent a unique compromise in U.S. numismatic history. Created during a time of national coin shortage, they replaced proof sets temporarily and offered collectors a higher-quality product without slowing down circulation production.

They are:

- Not proofs
- Not regular mint sets
- But a distinct “in-between” category born out of necessity

Today, they remain one of the most interesting and collectible transitional issues in modern U.S. coinage.