

STATE OF ALASKA
DEPARTMENT OF REVENUE
Tax Division
Gaming Group



Calendar Year 2003
ANNUAL REPORT OF GAMING OPERATIONS

On the internet at:
www.tax.state.ak.us

Frank Murkowski
Governor

William A. Corbus
Commissioner

2003

*This annual report provides an
overview of the
games of chance and
skill program administered
by the Tax Division's
Gaming Group,
and contains summaries
of all reports
of permittees and
operators pursuant
to AS 05.15.090.*

*This report also
explains the organizational
structure of the Gaming Group
within the Tax Division.*

*The information covers
calendar year 2003*

Annual Report of Gaming Group Operations
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Introduction

Under Alaska law, municipalities and qualified non-profit organizations may conduct certain gaming activities. The purpose of these activities is to derive public benefit in the form of money for the organizations and revenues for the state. The Tax Division is responsible for ensuring that the appropriate level of public benefit is derived for the organizations and the state.

To ensure that the appropriate level of public benefit is derived, the division does the following: 1) issues permits to municipalities and qualified organizations; 2) licenses all operators, distributors and manufacturers; 3) collects fees and taxes; 4) audits various permittees and licensees; 5) inspects gaming locations; and 6) investigates complaints.

This report summarizes gaming financial activity for 2003, as reported by permittees and operators and filed as of August 31, 2004. Gaming in Alaska has many variations in the types of gaming businesses and nonprofit organizations which conduct gaming activities. Below are key terms used throughout this report.

- A permittee is a municipality or a qualified organization that holds a valid permit to conduct gaming activities.
- A vendor is a business that holds a qualifying beverage dispensary or package store license that sells pull-tabs on behalf of a permittee.
- A multiple-beneficiary permit (MBP) allows two to six municipalities or qualified organizations or a combination of two to six municipalities and qualified organizations, to conduct joint gaming activities.
- An operator is a person, a municipality or qualified organization that has obtained a license and posted a bond to conduct gaming activities on behalf of a permittee.
- A distributor is a business located in the state that is licensed to distribute pull-tabs to permittees and to operators conducting gaming on behalf of permittees. The distributor must collect and submit a tax to the state, equal to three percent of the gross receipts less prizes, on each series of pull-tabs sold.
- A manufacturer is a business that is licensed to sell pull-tabs in the state. A manufacturer may only sell pull-tabs to a licensed distributor located in the state.

In reviewing the financial information presented in this report, it is important to be aware of the various classifications and to interpret the information accordingly.

For comparison purposes, 2002 financial data are included on certain schedules in this report.

Gaming Overview

Gaming in Alaska is big business. In calendar year 2003, the total amount gamed by the public exceeded \$355,000,000. After prizes were paid out, approximately \$84,000,000 was available for gaming expenses and net proceeds to benefit municipalities and qualified organizations.

In general, gambling is illegal in Alaska. However, the legislature created an exception for what is commonly, though somewhat inaccurately, referred to as "Charitable Gaming". The use of the word "charity" is really a misnomer. An organization does not have to have any charitable purpose in order to have a gaming permit. The Department may only issue a permit to a municipality or qualified organization, and charities represent only one of the fifteen kinds of "qualified organizations" eligible to game in Alaska.

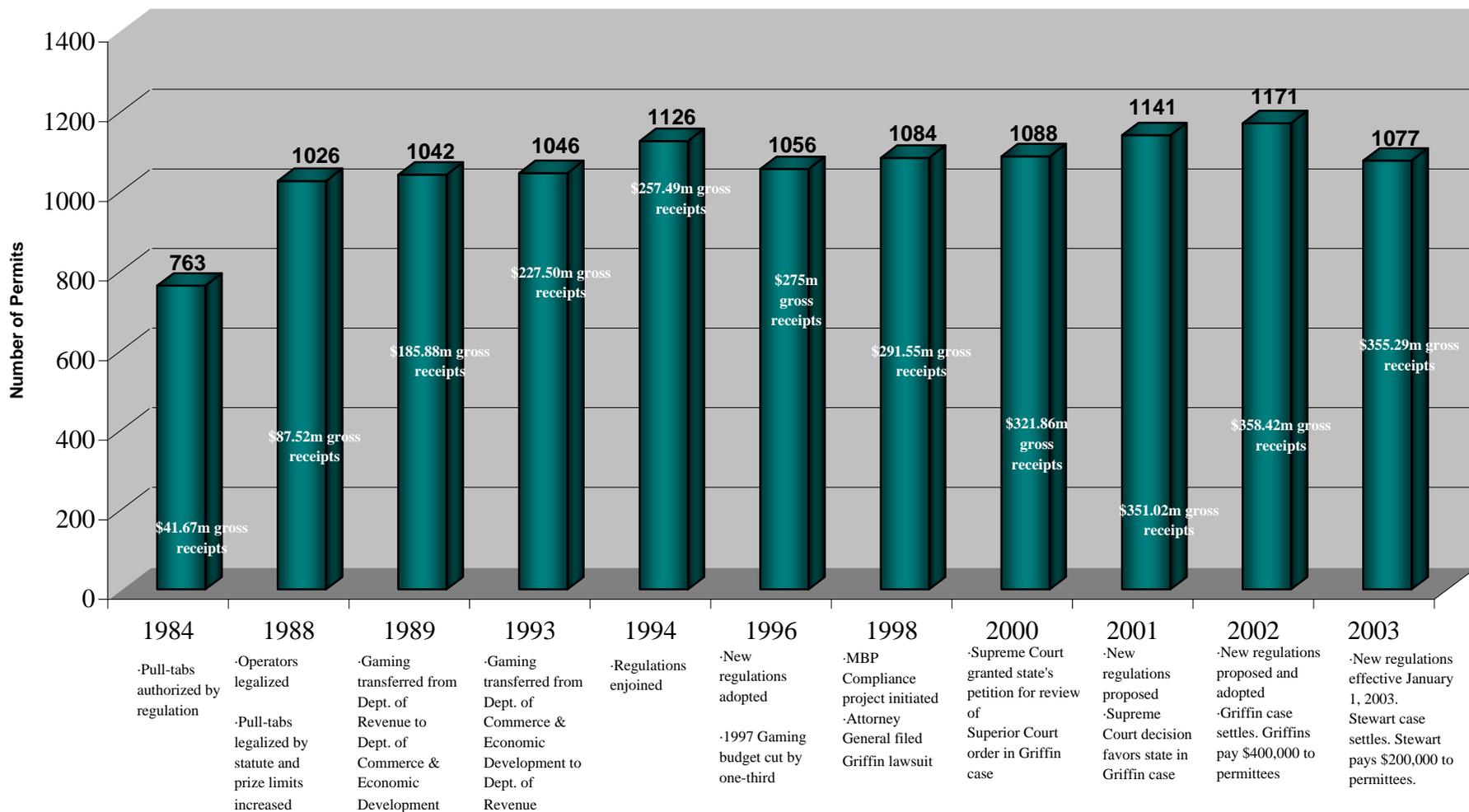
The authority to conduct gaming activity is contingent upon the dedication of the net proceeds of the gaming activity for specific purposes. Only reasonable and necessary expenses may be incurred or paid in connection with a gaming activity. The gaming statutes provide for caps on expenses, not to exceed 70% of adjusted gross income from pull-tab activity and 90% of adjusted gross income from gaming activities other than pull-tabs.

The organization board members are responsible to ensure that the gaming activity follows the gaming statutes and regulations. Organizations that participate in gaming have a legal duty to ensure that all gaming proceeds go toward intended uses and are not used to pay unnecessary expenses. Board members have a fiduciary responsibility for this, as was spelled out in *Botelho v. Griffin*, 25 P3d at 693: "By requiring a portion of the money spent on charitable gaming to benefit the public generally, Alaska's gaming laws create the effective equivalent of a charitable trust."

The Department of Revenue has the responsibility to oversee gaming laws. The Gaming Group, within the Tax Division, handles administration and enforcement duties. Through its staff of seven, the Group oversees approximately 1,200 organizations involved in gaming. The Group issues licenses and permits, collects filing fees and taxes, and conducts audits, inspections, and investigations to enforce the statutes and regulations for collection of fees and taxes and distribution of net proceeds.

The 2003 Current Events and Regulatory Actions section of this report describes the Division's enforcement actions. These enforcement actions came primarily from the review of applications and reports filed with the Division, public inquiries and complaints.

Gaming History and Background



2003 Gaming Industry Facts and Trends

The Division presents data in this report based upon permittee and operator annual reports filed as of August 31, 2004. The reader should note the following:

- Gross receipts include the dollar value of play-backs (winning pull-tabs which the player has returned to the seller in exchange for additional pull-tabs in lieu of receiving the prize in cash).
- Adjusted gross income means gross receipts less prizes awarded and federal and municipal taxes paid on gross receipts. Adjusted gross income is the amount available to pay gaming expenses and make distributions of net proceeds.
- Net proceeds means adjusted gross income less gaming expenses. Gaming expenses include the 3% pull-tab tax, permit fees, and the 1% additional fee on permittee gaming profits.
- The Division based the 2003 calendar year permittee data on 1,077 annual financial statements filed as of August 31, 2004. There are 68 annual reports outstanding and the Division excluded five erroneous or incomplete reports.
- The division issued 14 MBP permits in 2002 and 17 in 2003. All MBPs filed their reports.
- The division issued 27 operator licenses in 2002 and 27 in 2003. All Operators filed their reports.

Fees and taxes collected by the division:	FY-04	FY-03
3% Tax on Pull-Tabs:	\$ 1,887,015	\$ 2,115,146
1% Additional Fee on Permittees' Gaming Profits:	386,220	341,561
Permit and License Fees:	150,043	128,800
	\$ 2,423,278	\$ 2,585,507

- Distributors reported \$1,936,877 of pull-tab tax paid for calendar year 2003.

Division Concerns and Focus

Alaska's gaming laws limit the expenses that may be incurred under a gaming permit to ensure that permit holders receive at least a minimum financial benefit from their gaming activities. The Division, with the assistance of the Department of Law, has committed substantial resources to bring the activities of Multiple-Beneficiary Permit holders (MBPs) into compliance.

The first step in this process was to ensure that MBPs complied with minimum distribution requirements. In 1997, MBPs failed to meet their statutorily required payment distributions by \$850,000. The Division increased compliance on payment so that there were no MBP deficits in 2001.

The second step in the process focused on ensuring that MBPs not only met the minimum distributions, but also adhered to statutory expense limitations.

With increased enforcement, MBP activities in 2001 and 2002 appeared to meet the statutory expense limitations and minimum profit distributions, with one exception in each year. In 2001, an MBP did not meet the expense limitations. As a condition to retaining its permit, the MBP agreed to dedicate a percentage of its net proceeds for two years to the Alaska Children's Trust. In 2002, an MBP failed to meet its expense limitations and minimum payment distributions. The MBP voluntarily closed its business in November, 2003.

Regulations effective January 1, 2003, formalized the parameters under which MBPs can conduct gaming. They also require quarterly payment of net proceeds to the members. In 2003, two MBPs did not meet the expense limitations and minimum payment distributions. One MBP voluntarily closed its bingo operation on January 1, 2004. Both MBPs were notified that failure to comply with the expense limitations and minimum payment distributions in 2004 would result in the revocation of their permits.

The Division remains concerned about the amount of proceeds received by organizations that are members of MBPs as well as organizations that contract with licensed operators, and will continue to monitor rents, compensation and fees charged for running or managing these large-scale gaming operations. The Divisions review of reported self-directed activity indicates a need to expand compliance efforts to certain organizations that are exceeding expense limitations and misusing net proceeds.

2003 Current Events and Regulatory Actions

Court Proceedings

James Stewart vs. Department of Revenue: James Stewart, while a charitable gaming operator in 1995, passed on the cost of pull-tab games to the permittees for whom he was conducting gaming. He also failed to report those costs to the department as gaming expenses. This tactic would have allowed him to increase the amount he charged permittees for his operating fee. The Division's audit found that, when the costs of pull-tabs were included, Stewart exceeded the expense cap by \$186,021. The Division ordered him to refund this amount, with interest, to the permittees. Mr. Stewart unsuccessfully appealed this order to the Superior Court and then to the Alaska Supreme Court. In September of 2003, before a Supreme Court ruling, the parties settled the case with terms that Stewart pay \$200,000 to the permittees.

Downtown Bicycle Rental, Inc., and Peter Roberts vs. State of Alaska: Downtown Bicycle Rental, Inc., (DBRI) filed suit in Superior Court on October 3, 2002, alleging the state negligently approved a gaming permit for Earth, a tax-exempt corporation. Earth used money from the permit to operate a free bike program in downtown Anchorage. DBRI contends that Earth's free bike program interfered with its property rights because it lured "affluent pedestrian tourists" away from existing tax-paying bike businesses. The Attorney General filed a motion to dismiss, which the Superior Court granted in part. The case is ongoing and set for trial in October 2005.

Other 2003 and 2004 Regulatory Actions

Cooperative Association. Janine Harmon was the Gaming Manager in Klawock whose organization was selling pull-tabs through a permit overseen by the National Indian Gaming Commission. Delores Peratrovich worked at Klawock Liquor, where she sold pull-tabs for the City of Klawock through a permit issued by the State of Alaska. In May of 2002, a joint criminal investigation by the Federal Bureau of Investigation and the Gaming Group dealt with Harmon and Peratrovich exchanging inside information on pull-tab games sold at each pull-tab shop. Harmon cooperated with the FBI, pled guilty to one count of mail fraud and was sentenced to two years probation on November 13, 2003. Peratrovich was charged with mail fraud and her trial was pending when she died.

Gambling Operation: The Fairbanks Police Department received information that an illegal gambling operation was occurring in the Fairbanks area. The investigation revealed that Donald Jennings and Avan Brees were delivering illegal gambling material, including football betting slips, to several bars and businesses. On December 3, 2002, multiple law enforcement agencies and a Gaming Group investigator served 14 search warrants on various locations in the Fairbanks area, including the Big I Bar, the Boatel Bar, the Comet Club, the Gold Rush Saloon, The Hide Away Bar, Fairbanks Elks Lodge, Interior Graphics & Copy, Arctic Fire & Safety and two residences. The case was referred to the Fairbanks District Attorney.

Unalaska Community Broadcasting (UCB), failed to renew its permit for 2003. In January 2003, UCB purchased a large quantity of pull-tab games from Alaska Bingo Supply in order to have its games sold at the Airport Restaurant and Lounge and the Unisea Inn Sports Bar. UCB also failed to register these two bars as vendors with the Gaming Group. Both bars received 45-day suspensions for selling pull-tabs without a 2003 vendor registration. The Division issued a Notice of Violation to Alaska Bingo Supply for selling pull-tabs to an organization that did not possess a current-year permit to sell pull-tabs. UCB submitted a 2003 gaming application in September 2003; the application was denied based upon the violation of gaming laws and the denial will remain in effect for at least six months.

Illegal Gambling Operation: The Native Village of Barrow (NVB) operated an illegal pull-tab business for years, buying bootleg pull-tabs from various unlicensed pull-tab distributors in the Lower 48, who shipped

2003 Current Events and Regulatory Actions

them to Barrow in violation of gambling laws and the Gaming statutes and regulations. On June 30, 2003, a Gaming Group investigator assisted the Alaska State Troopers in the execution of search warrants at the pull-tab shop and the business office of the NVB. This resulted in the seizure of 2,500 pounds of pull-tabs and computer records related to the illegal operation. The case was forwarded to the Attorney General's Office. The state and NVB subsequently entered into an agreement where NVB acknowledged the seized pull-tabs and other equipment were used in gambling for which the NVB did not have a permit from the State of Alaska. The NVB also agreed to obtain a gaming permit from the State of Alaska for Barrow. The State of Alaska agreed not to seek the forfeiture of any other property from NVB for gambling conducted prior to June 30, 2003 or to file criminal charges for gambling violations occurring on or before June 30, 2003.

The United Cook Inlet Drift Association, a permittee in Soldotna, used the Vagabond Inn as a vendor to sell pull-tab games on behalf of its organization for four years. Alaska gaming laws limit the amount of profit to the vendor for each pull-tab game sold to 30% of the ideal net from each game. In follow-up to a complaint, investigation showed that the Vagabond Inn received additional monetary rewards in the form of airline tickets and lodging at a hotel for a two-year period that amounted to \$2,162. The permittee received an Advisory Notice for this violation and the vendor agreed to return the excess amount.

The Benevolent and Protective Order of Elks #1351 (BPOE) is located in Anchorage. The Division issued BPOE 2000 permits to conduct pull-tab and raffle activities. On October 11, 2000, while following up on a complaint that illegal gambling activities were taking place, two Gaming Group investigators observed six illegal gambling machines on the premises. The Anchorage Police Department seized these machines because they believed that an illegal gambling operation existed at the club. A member of the organization released gambling records to Gaming Group investigators which later showed BPOE profited \$486,519 from these illegal machines. On February 6, 2003, the BPOE pled guilty to one count of Possession of a Gambling Device which resulted in a fine of \$4,730, one year probation and 80 hours of community service. Because the organization was convicted of an illegal gambling law, it will not be authorized to conduct any form of legalized gambling for ten years.

American Legion Auxilliary #17 is located in Kodiak. An investigation revealed that Auxilliary #17's primary member in charge (PMIC) had misappropriated \$2,873 of gaming funds for personal use from January 2001 through April 2003. The misappropriated funds were subsequently recovered. Auxilliary #17 was issued a Notice of Violation for failure to maintain proper accounting records.

Use of the Internet to Promote or Conduct Charitable Gaming: In March of 2003, the Nenana Ice Classic Association, Alpine Alternatives, and the Alaska Bird Observatory were issued Notices of Violation for advertising the sale of raffle tickets over the internet.

Conducting Raffles Without a Charitable Gaming Permit: In July of 2003, the Juneau Symphony, the Home Builders Association of Juneau, the American Legion Post #315 of Palmer, and the Forget Me Not Quilters of Delta Junction, were issued Notices of Violation for conducting raffles without a current year permit.

Raffle Scam: A joint investigation by the Gaming Group and the Valdez Police Department revealed that Thomas Albert Morgan, the former Exalted Ruler of the Valdez Elks, conducted an unauthorized raffle under the Valdez Elks logo and used the proceeds to pay personal bills. Mr. Morgan was convicted of a scheme to defraud and theft.

Theft of Proceeds: A joint investigation by the Gaming Group and the Bristol Bay Police Department revealed that Robert Hodgdon Jr., an employee of the Elevation of the Holy Cross Church, South Naknek,

2003 Current Events and Regulatory Actions

stole approximately \$15,000 of the Church's bingo and pull-tab funds. The Bristol Bay Police Department charged Mr. Hodgdon with theft. Mr. Hodgdon was found guilty and sentenced to four years of confinement.

Thomas Worden, a licensed operator, was issued a Notice of Violation and a Notice of Suspension for exceeding bingo session limits in January and February of 2004. Mr. Worden appealed the Notice of Suspension. At an informal conference Mr. Worden agreed shut down his bingo hall for four days in September, 2004.

Riverside House. On November 19, 2003, two employees of the Riverside House (a registered vendor), were convicted of Promoting Gambling in the 2nd degree. The location of the illegal gambling (football sports boards) was in the bar of Riverside House. An interview of general manager Robert Strauss revealed that the owners of Riverside House were aware of the football sports boards and took no action to have them removed. On April 7, 2004 the Division revoked the Riverside House vendor registration.

Nicholas Monsen Memorial Scholarship Fund (NMMSF). An inspection of Eddie's Fireplace Inn and the Red Dog Inn (both registered vendors), revealed that NMMSF was not collecting seventy percent of the ideal net upon delivery of the pull-tab games. This was the second time that NMMSF was sited for this violation. Both vendors were sighted for conflict of interest violations. Each of the NMMSF's vendor registrations were suspended for thirty days.

Sitka American Legion Post #13. The treasurer of Post #13 transferred \$10,000 from the Sitka American Legion Auxiliary Unit #13's gaming account to the Post #13 gaming account. The Post subsequently returned \$4,000 to the Auxiliary Unit #13 gaming account. On March 2, 2004, Post #13 was issued a Notice of Violation and advised that it must return the remainder of the Auxiliary Unit's gaming funds before a 2005 gaming permit would be issued to Post #13. Allegations of drug sales at Post #13 were referred to the Sitka Police Department.

Aniak Traditional Council (ATC). An investigation revealed an undetermined shortage of net proceeds and possible embezzlement of gaming funds. This case referred to the Alaska State Troopers.

Key Contacts

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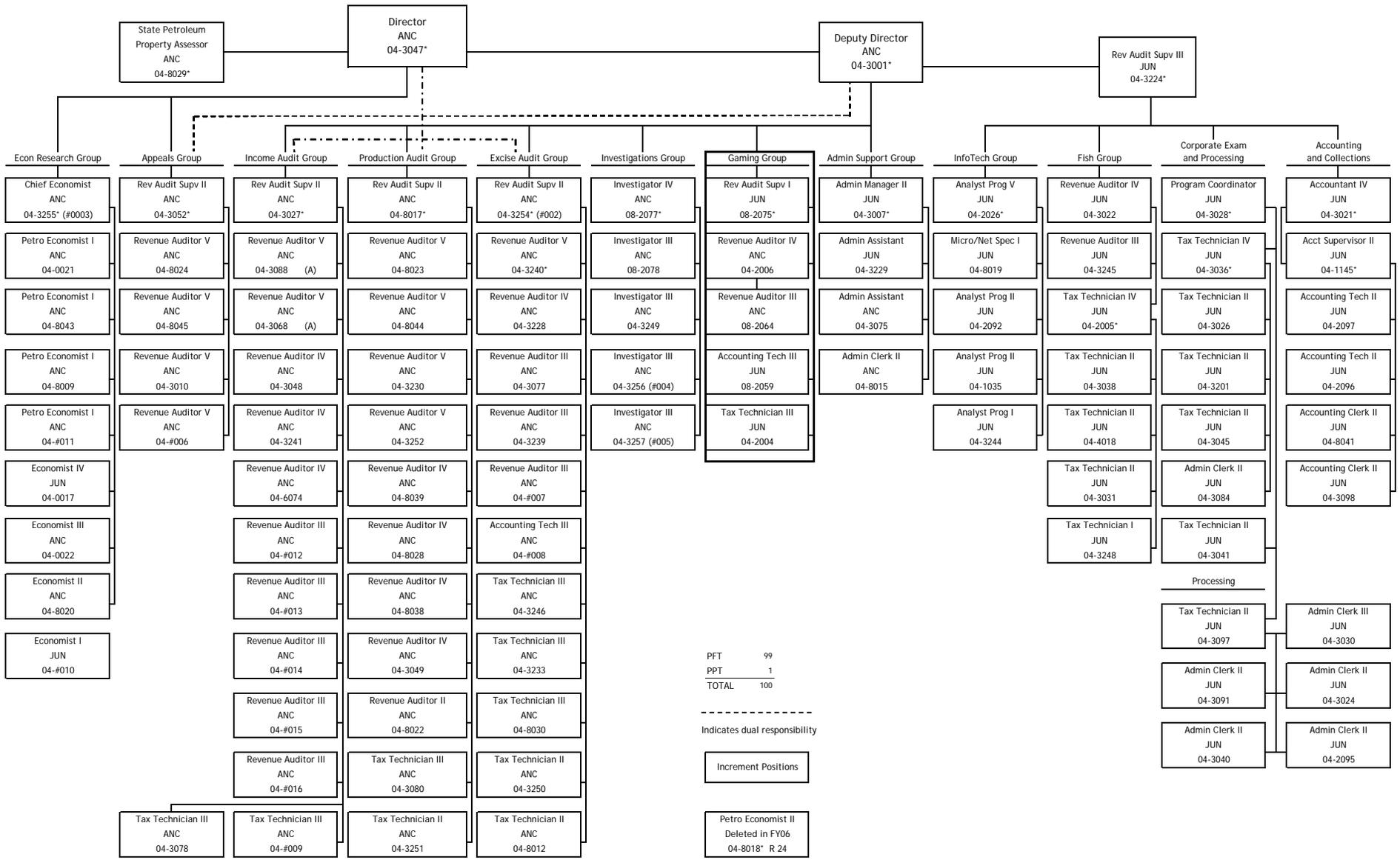
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Web Site

<http://www.tax.state.ak.us/programs/gaming/index.asp>



PFT 99
 PPT 1
 TOTAL 100

 Indicates dual responsibility

Increment Positions

Petro Economist II
 Deleted in FY06
 04-8018* R 24

Table 1
Schedule of Charitable Gaming Activity
for Calendar Years

	2003 ⁽¹⁾		2002 ⁽²⁾	
	Amount	% Gross Receipts	Amount	% Gross Receipts
Gross Receipts	\$ 355,290,436		\$ 358,428,066	
Taxes ⁽⁴⁾	1,338,601	0.38%	1,024,683	0.29%
Prizes	<u>270,240,088</u>	76.06%	<u>273,604,096</u>	76.33%
Adjusted Gross Income	83,711,747		83,799,287	
Expenses	<u>51,798,130</u>	14.58%	<u>51,405,494</u>	14.34%
Net Proceeds	<u>\$ 31,913,617</u>	8.98%	<u>\$ 32,393,793</u>	9.04%

Breakdown of Expenses ⁽³⁾

	2003	2002
Rental of Facility	\$ 4,672,891	\$ 5,375,253
Other Facility Costs	1,965,710	1,448,821
Contract / Pro. Services	1,366,467	1,299,835
Accounting	1,273,702	1,406,257
Wages	16,078,702	16,154,741
Payroll Taxes	1,975,590	1,986,459
Operator Fee ⁽⁵⁾	3,305,994	2,751,927
Vendor Compensation	2,660,825	2,681,922
Cost of Pull-tab Games	7,557,868	7,154,411
Pull-Tab Tax Paid ⁽⁶⁾	1,733,284	1,778,414
Cost of Bingo Cards	2,053,003	1,943,322
Advertising	489,287	469,153
Equipment Purchases	480,448	429,154
Other Expenses ⁽⁷⁾	4,777,584	5,364,669
Door Prizes	<u>1,406,775</u>	<u>1,161,156</u>
Total Expenses	<u>\$ 51,798,130</u>	<u>\$ 51,405,494</u>

(1) Based on 1,077 permittee annual reports, 27 operator annual reports, 17 MBP annual reports filed with the division as of 08/31/2004.

(2) Based on 1,171 permittee annual reports, 27 operator annual reports, 14 MBP annual reports filed with the division as of 07/30/2003.

(3) Total Expenses reported on Schedule C, prior to any limitations, except for operator fees.

(4) Reported taxes should include only the federal excise tax and municipal sales taxes on gross receipts.

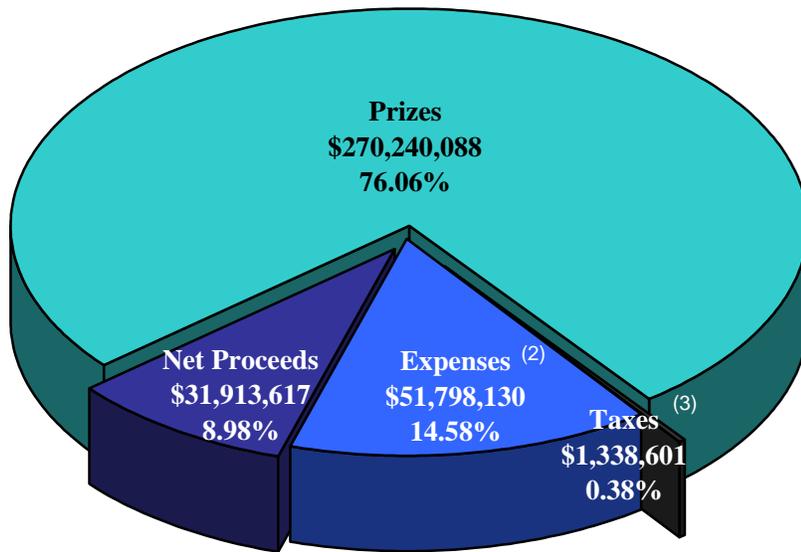
(5) Reported Operator fees have been reduced to reflect actual operator payments to permittees.

(6) The pull-tab tax paid represents the amounts reported by permittees, not amounts actually collected and remitted to the state by distributors.

(7) Other expenses include repairs and maintenance, insurance, utilities, depreciation, permittee fees, printing, shipping, supplies, travel and miscellaneous.

Chart 1
2003 Gross Receipts Distribution ⁽¹⁾

as a percentage of Gross Receipts



Total Gross Receipts: \$355,290,436.

(1) Based on 1,077 permittee annual reports, 27 operator annual reports, 17 MBP annual reports filed with the division as of 08/31/2004.

(2) Total Expense reported on Schedule C, prior to any limitations, except for operator fees. Reported operator fees have been reduced to reflect actual operator payments to permittees.

(3) Reported taxes should include only the federal excise tax and municipal sales taxes on gross receipts.

Table 2(a)
2003 Activity by Business Classification ⁽¹⁾

	Permittees		Vendors		Operators ⁽³⁾		MBPs		Total	
	<u>Amount</u>	<u>% Gross Receipts</u>	<u>Amount</u>	<u>% Gross Receipts</u>	<u>Amount</u>	<u>% Gross Receipts</u>	<u>Amount</u>	<u>% Gross Receipts</u>	<u>Amount</u>	<u>% Gross Receipts</u>
Gross Receipts	\$ 163,698,811		\$ 37,654,311		\$ 80,584,958		\$ 73,352,356		\$ 355,290,436	
Taxes ⁽⁴⁾	726,740	0.44%	155,450	0.41%	391,659	0.49%	64,752	0.09%	1,338,601	0.38%
Prizes	<u>123,174,230</u>	75.24%	<u>29,335,172</u>	77.91%	<u>61,790,456</u>	76.68%	<u>55,940,230</u>	76.26%	<u>270,240,088</u>	76.06%
Adjusted Gross Income	39,797,841		8,163,689		18,402,843		17,347,374		83,711,747	
Expenses	<u>22,460,768</u>	13.72%	<u>4,088,460</u>	10.86%	<u>13,574,396</u>	16.84%	<u>11,674,506</u>	15.92%	<u>51,798,130</u>	14.58%
Net Proceeds	<u>\$ 17,337,073</u>	10.60%	<u>\$ 4,075,229</u>	10.82%	<u>\$ 4,828,447</u>	5.99%	<u>\$ 5,672,868</u>	7.73%	<u>\$ 31,913,617</u>	8.98%

Table 2(b)
2002 Activity by Business Classification ⁽²⁾

	Permittees		Vendors		Operators ⁽³⁾		MBPs		Total	
	<u>Amount</u>	<u>% Gross Receipts</u>	<u>Amount</u>	<u>% Gross Receipts</u>	<u>Amount</u>	<u>% Gross Receipts</u>	<u>Amount</u>	<u>% Gross Receipts</u>	<u>Amount</u>	<u>% Gross Receipts</u>
Gross Receipts	\$ 174,166,362		\$ 38,925,272		\$ 76,968,241		\$ 68,368,191		\$ 358,428,066	
Taxes ⁽⁴⁾	412,716	0.24%	159,779	0.41%	305,682	0.40%	146,506	0.21%	1,024,683	0.29%
Prizes	<u>131,290,773</u>	75.38%	<u>30,283,459</u>	77.80%	<u>59,766,415</u>	77.65%	<u>52,263,449</u>	76.44%	<u>273,604,096</u>	76.33%
Adjusted Gross Income	42,462,873		8,482,034		16,896,144		15,958,236		83,799,287	
Expenses	<u>23,676,403</u>	13.59%	<u>4,154,835</u>	10.67%	<u>12,500,281</u>	16.24%	<u>11,073,975</u>	16.20%	<u>51,405,494</u>	14.34%
Net Proceeds	<u>\$ 18,786,470</u>	10.79%	<u>\$ 4,327,199</u>	11.12%	<u>\$ 4,395,863</u>	5.71%	<u>\$ 4,884,261</u>	7.15%	<u>\$ 32,393,793</u>	9.04%

(1) Based on 1,077 permittee annual reports, 27 operator annual reports, 17 MBP annual reports filed with the division as of 08/31/2004.

(2) Based on 1,171 permittee annual reports, 27 operator annual reports, 14 MBP annual reports filed with the division as of 07/30/2003.

(3) Reported Operator fees have been reduced to reflect actual operator payments to permittees.

(4) Reported taxes should include only the federal excise tax and municipal sales taxes on gross receipts.

Table 3
2003 Breakdown of Expenses by Business Classification (1), (2)

	Permittees	Vendors	Operators	MBPs	Totals
Rental of Facility	\$ 1,658,712	\$ -	\$ 1,661,656	\$ 1,352,523	\$ 4,672,891
Other Facility Costs	931,564	-	412,884	621,262	1,965,710
Contract / Pro. Services	546,277	-	669,118	151,072	1,366,467
Accounting	819,203	-	265,474	189,025	1,273,702
Wages	8,518,117	-	3,591,519	3,969,066	16,078,702
Payroll Taxes	1,225,740	-	358,092	391,758	1,975,590
Operator Fee (2)	-	-	3,305,994	-	3,305,994
Vendor Compensation	-	2,484,100	-	176,725	2,660,825
Cost of Pull-tab Games	3,711,410	1,123,609	1,648,308	1,074,541	7,557,868
Pull-Tab Tax Paid	718,246	245,490	483,652	285,896	1,733,284
Cost of Bingo Cards	390,503	-	447,612	1,214,888	2,053,003
Advertising	244,817	-	18,730	225,740	489,287
Equipment Purchases	262,333	-	2,926	215,189	480,448
Other Expenses (3)	2,961,831	235,261	489,486	1,091,006	4,777,584
Door Prizes	472,015	-	218,945	715,815	1,406,775
Total	\$ 22,460,768	\$ 4,088,460	\$ 13,574,396	\$ 11,674,506	\$ 51,798,130

(1) Based on 1,077 permittee annual reports, 27 operator annual reports, and 17 MBP annual reports filed with the division as of 08/31/2004.

(2) Total Expense reported on Schedule C, prior to any limitations, except for operator fees. Reported operator fees have been reduced to reflect actual operator payments to permittees.

(3) Other expenses include repairs and maintenance, insurance, utilities, depreciation, permittee fees, printing, shipping, supplies, travel and miscellaneous.

Table 4 (a)
2003 Activity by Game Type ⁽¹⁾

Charitable Gaming Detail

<u>Game Type</u>	<u>Gross Receipts</u>	<u>Taxes</u> ⁽²⁾	<u>Prizes</u>	<u>Adjusted Gross Income</u>	<u>Expenses</u> ⁽³⁾	<u>Net Proceeds</u>
Pull tabs	\$ 273,340,934	\$ 1,210,898	\$ 213,428,498	\$ 58,701,538	\$ 34,633,732	\$ 24,067,806
Bingo	70,741,347	116,704	51,436,556	19,188,087	15,009,885	4,178,202
Raffle or Lottery	9,233,481	9,890	3,564,563	5,659,028	1,006,523	4,652,505
Fish Derby	839,992	0	463,081	376,911	215,634	161,277
Ice Classic	615,822	760	311,000	304,062	252,246	51,816
Contest of Skill	185,917	0	62,973	122,944	64,660	58,284
Dog Musher Contest	280,695	349	938,343	(657,997)	610,954	(1,268,951)
Race Classic	22,358	-0-	4,799	17,559	1,006	16,553
Snow Machine Classic	29,890	-0-	30,275	(385)	3,490	(3,875)
Rain Classic	-0-	-0-	-0-	-0-	-0-	-0-
Salmon Classic	-0-	-0-	-0-	-0-	-0-	-0-
Goose Classic	-0-	-0-	-0-	-0-	-0-	-0-
Deep Freeze Classic	-0-	-0-	-0-	-0-	-0-	-0-
Canned Salmon Classic	-0-	-0-	-0-	-0-	-0-	-0-
Total	\$ 355,290,436	\$ 1,338,601	\$ 270,240,088	\$ 83,711,747	\$ 51,798,130	\$ 31,913,617

Table 4 (b)
Pull-Tabs, Bingo and Raffles by Business Classification ⁽¹⁾

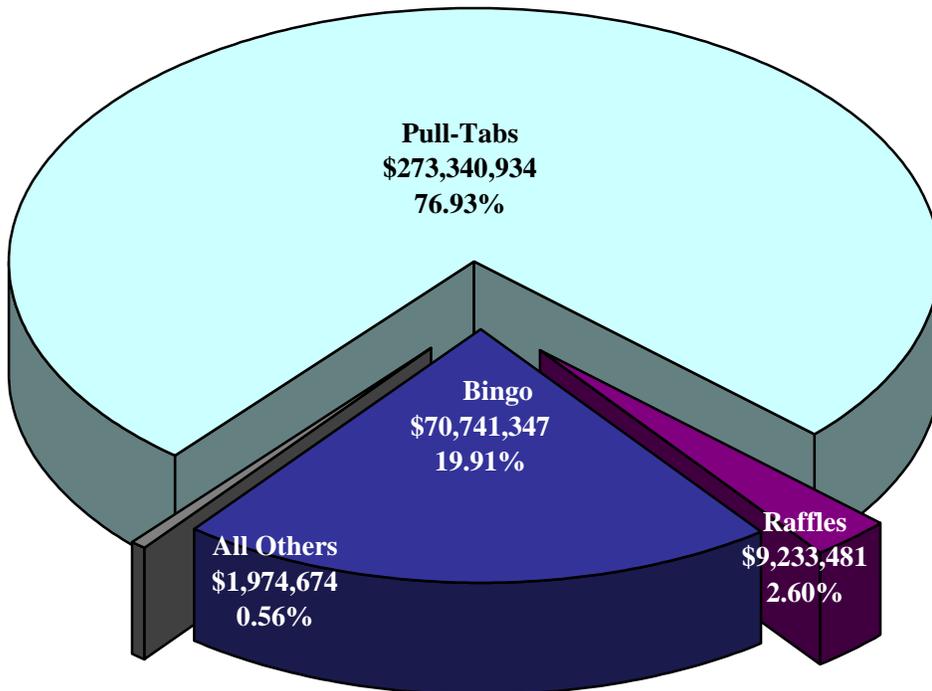
Pull-Tabs						
Permittee	\$ 123,428,993	\$ 599,037	\$ 96,183,335	\$ 26,646,621	\$ 14,650,163	\$ 11,996,458
MBP	45,135,786	64,752	35,670,154	9,400,880	5,839,568	3,561,312
Vendor	37,654,311	155,450	29,335,172	8,163,689	4,088,460	4,075,229
Operator ⁽³⁾	67,121,844	391,659	52,239,837	14,490,348	10,055,541	4,434,807
Total	\$ 273,340,934	\$ 1,210,898	\$ 213,428,498	\$ 58,701,538	\$ 34,633,732	\$ 24,067,806
Bingo						
Permittee	\$ 29,440,950	\$ 116,704	\$ 21,832,363	\$ 7,491,883	\$ 5,796,715	\$ 1,695,168
MBP	28,205,026	0	20,265,032	7,939,994	5,832,982	2,107,012
Operator ⁽³⁾	13,095,371	0	9,339,161	3,756,210	3,380,188	376,022
Total	\$ 70,741,347	\$ 116,704	\$ 51,436,556	\$ 19,188,087	\$ 15,009,885	\$ 4,178,202
Raffles and Lotteries						
Permittee	\$ 8,936,744	\$ 9,890	\$ 3,416,921	\$ 5,509,933	\$ 877,896	\$ 4,632,037
MBP	11,544	0	5,044	6,500	1,956	4,544
Operator ⁽³⁾	285,193	0	142,598	142,595	126,671	15,924
Total	\$ 9,233,481	\$ 9,890	\$ 3,564,563	\$ 5,659,028	\$ 1,006,523	\$ 4,652,505

(1) Based on 1,077 permittee annual reports, 27 operator annual reports, 17 MBP annual reports filed with the division as of 08/31/2004.

(2) Reported taxes should include only the federal excise tax and municipal sales taxes on gross receipts.

(3) Total Expense reported on Schedule C, prior to any limitations, except for operator fees. Reported operator fees have been reduced to reflect actual operator payments to permittees.

Chart 2
2003 Gross Receipts by Game Type ⁽¹⁾
as a percentage of Gross Receipts



Total Gross Receipts: \$355,290,436

(1) Based on 1,077 permittee annual reports, 27 operator annual reports, 17 MBP annual reports filed with the division as of 08/31/2004.

Table 5(a)
2003 Permittee Self-Directed Activity by Game Type⁽¹⁾

<u>Game Type</u>	<u>Gross Receipts</u>	<u>Taxes⁽³⁾</u>	<u>Prizes</u>	<u>Adjusted Gross Income</u>	<u>Expenses⁽²⁾</u>	<u>Net Proceeds</u>
Pull-Tab	\$ 123,428,993	\$ 599,037	\$ 96,183,335	\$ 26,646,621	\$ 14,650,163	\$ 11,996,458
Bingo	29,440,950	116,704	21,832,363	7,491,883	5,796,715	1,695,168
Raffle or Lottery	8,936,744	9,890	3,416,921	5,509,933	877,896	4,632,037
Fish Derby	757,442	0	394,221	363,221	203,638	159,583
Ice Classic	615,822	760	311,000	304,062	252,246	51,816
Contest of Skill	185,917	0	62,973	122,944	64,660	58,284
Dog Musher Contest	280,695	349	938,343	(657,997)	610,954	(1,268,951)
Snow Machine Classic	29,890	-0-	30,275	(385)	3,490	(3,875)
Race Classic	22,358	-0-	4,799	17,559	1,006	16,553
Rain Classic	-0-	-0-	-0-	-0-	-0-	-0-
Salmon Classic	-0-	-0-	-0-	-0-	-0-	-0-
Goose Classic	-0-	-0-	-0-	-0-	-0-	-0-
Deep Freeze Classic	-0-	-0-	-0-	-0-	-0-	-0-
Canned Salmon Classic	-0-	-0-	-0-	-0-	-0-	-0-
Total	\$ 163,698,811	\$ 726,740	\$ 123,174,230	\$ 39,797,841	\$ 22,460,768	\$ 17,337,073

Table 5(b)
2003 Permittee Vendor Activity by Game Type

<u>Game Type</u>	<u>Gross Receipts</u>	<u>Taxes⁽³⁾</u>	<u>Prizes</u>	<u>Adjusted Gross Income</u>	<u>Expenses⁽⁴⁾</u>	<u>Net Proceeds</u>
Pull-Tab	\$ 37,654,311	\$ 155,450	\$ 29,335,172	\$ 8,163,689	\$ 4,088,460	\$ 4,075,229
	As % of Gross Receipts	0.41%	77.91%		10.86%	10.82%

(1) Based on 1,077 permittee annual reports filed with the division as of 08/31/2004.

There are 68 permittee annual reports outstanding as of the date of this report.

(2) Total Expense reported on Schedule C, prior to any limitations.

(3) Reported taxes should include only the federal excise tax and municipal sales taxes on gross receipts.

(4) Total Expenses reported prior to any limitations.

Table 6(a)
2003 Operator Activity by Game Type ⁽¹⁾

	<u>Pull-Tab</u>	<u>Bingo</u>	<u>Fish Derby</u>	<u>Raffle</u>	<u>Total</u>
Gross Receipts	\$ 67,121,844	\$ 13,095,371	\$ 82,550	\$ 285,193	\$ 80,584,958
Taxes ⁽²⁾	391,659	-0-	-0-	-0-	391,659
Prizes	52,239,837	9,339,161	68,860	142,598	61,790,456
Adjusted Gross Income	14,490,348	3,756,210	13,690	142,595	18,402,843
Expenses	10,055,541	3,380,188	11,996	126,671	13,574,396
Net Proceeds	\$ 4,434,807	\$ 376,022	\$ 1,694	\$ 15,924	\$ 4,828,447

Table 6(b)
Breakdown of Expenses ⁽³⁾

	<u>Pull-Tab</u>	<u>Bingo</u>	<u>Fish Derby</u>	<u>Raffle</u>	<u>Total</u>
Rental of Facility	\$ 1,345,207	\$ 304,881	\$ 4,500	\$ 7,068	\$ 1,661,656
Other Facility Costs	271,431	136,663	-0-	4,790	412,884
Contract / Pro. Services	452,316	210,180	-0-	6,622	669,118
Accounting	188,043	76,094	1,266	71	265,474
Wages	2,615,935	944,585	-0-	30,999	3,591,519
Payroll Taxes	275,252	80,391	-0-	2,449	358,092
Operator Fee ⁽⁴⁾	2,476,534	749,991	6,000	73,469	3,305,994
Cost of Pull-tab Games	1,648,308	-0-	-0-	-0-	1,648,308
Pull-Tab Tax Paid	483,652	-0-	-0-	-0-	483,652
Cost of Bingo Cards	-0-	447,612	-0-	-0-	447,612
Advertising	11,980	6,576	-0-	174	18,730
Equipment Purchases	2,926	-0-	-0-	-0-	2,926
Other Expenses ⁽⁵⁾	270,977	217,250	230	1,029	489,486
Door Prizes	12,980	205,965	-0-	-0-	218,945
Total Expenses	\$ 10,055,541	\$ 3,380,188	\$ 11,996	\$ 126,671	\$ 13,574,396

(1) Based on 27 operator annual reports filed with the division as of 08/31/2004.

(2) Reported taxes should include only the federal excise tax and municipal sales taxes on gross receipts.

(3) Total Expense reported on Schedule C, prior to any limitations, except for operator fee.

(4) Reported Operator fees have been reduced to reflect actual operator payments to permittees.

(5) Other expenses include repairs and maintenance, insurance, utilities, depreciation, printing, shipping, supplies, travel and miscellaneous.

Table 7(a)
2003 Multiple-Beneficiary Permittee Activity by Game Type ⁽¹⁾

	<u>Pull-Tab</u>	<u>Bingo</u>	<u>Raffle</u>	<u>Total</u>
Gross Receipts	\$ 45,135,786	\$ 28,205,026	\$ 11,544	73,352,356
Taxes ⁽²⁾	64,752	-0-	-0-	64,752
Prizes	35,670,154	20,265,032	5,044	55,940,230
Adjusted Gross Income	9,400,880	7,939,994	6,500	17,347,370
Expenses ⁽³⁾	5,839,568	5,832,982	1,956	11,674,506
Net Proceeds	\$ 3,561,312	\$ 2,107,012	\$ 4,544	\$ 5,672,868

Table 7(b)
Breakdown of Expenses ⁽³⁾

	<u>Pull-Tab</u>	<u>Bingo</u>	<u>Raffle</u>	<u>Total</u>
Rental of Facility	\$ 748,196	\$ 604,327	\$ -0-	\$ 1,352,523
Other Facility Costs	262,654	358,608	-0-	621,262
Contract / Pro. Services	74,754	75,438	880	151,072
Accounting	101,842	86,811	372	189,025
Wages	2,140,183	1,828,883	-0-	3,969,066
Payroll Taxes	220,612	171,146	-0-	391,758
Vendor Compensation	176,725	-0-	-0-	176,725
Cost of Pull-tab Games	1,074,541	-0-	-0-	1,074,541
Pull-Tab Tax Paid	285,896	-0-	-0-	285,896
Cost of Bingo Cards	-0-	1,214,888	-0-	1,214,888
Advertising	79,006	146,210	524	225,740
Equipment Purchases	16,344	198,845	-0-	215,189
Other Expenses ⁽⁴⁾	486,439	604,387	180	1,091,006
Door Prizes	172,376	543,439	-0-	715,815
Total Expenses	\$ 5,839,568	\$ 5,832,982	\$ 1,956	\$ 11,674,506

(1) Based on 17 MBP annual reports filed with the division as of 08/31/2004. Includes MBP Vendor Activity.

(2) Reported taxes should include only the federal excise tax and municipal sales taxes on gross receipts.

(3) Total Expense reported on Schedule C, prior to any limitations.

(4) Other expenses include repairs and maintenance, insurance, utilities, depreciation, permittee fees, printing, shipping, supplies, travel and miscellaneous.

Table 8(a)
2003 Permittee Self-Directed Activity ⁽¹⁾

	<u>Amount</u>	<u>% Gross Receipts</u>
Gross Receipts	\$ 163,698,811	
Taxes ⁽²⁾	726,740	0.44%
Prizes	<u>123,174,230</u>	75.24%
Adjusted Gross Income	39,797,841	
Expenses	<u>22,460,768</u>	13.72%
Net Proceeds	<u><u>\$ 17,337,073</u></u>	10.60%

Table 8(b)
Breakdown of Expenses ⁽³⁾

	<u>Amount</u>	<u>% Expenses</u>
Rental of Facility	\$ 1,658,712	7.39%
Other Facility Costs	931,564	4.12%
Contract / Pro. Services	546,277	2.42%
Accounting	819,203	3.63%
Wages	8,518,117	37.75%
Payroll Taxes	1,225,740	5.43%
Cost of Pull-tab Games	3,711,410	16.56%
Pull-Tab Tax Paid	718,246	3.18%
Cost of Bingo Cards	390,503	1.73%
Advertising	244,817	1.10%
Equipment Purchases	262,333	1.23%
Other Expenses ⁽⁴⁾	2,961,831	13.36%
Door Prizes	<u>472,015</u>	2.10%
Total Expenses	<u><u>\$ 22,460,768</u></u>	

(1) Based on 1,077 permittee annual reports filed with the division as of 08/31/2004.

There are 68 permittee annual reports outstanding as of the date of this report.

(2) Reported taxes should include only the federal excise tax and municipal sales taxes on gross receipts.

(3) Total Expense reported on Schedule C, prior to any limitations.

(4) Other expenses include repairs and maintenance, insurance, utilities, depreciation, permittee fees, printing, shipping, supplies, travel and miscellaneous.

Table 9(a)
2003 Operator Activity ⁽¹⁾

	<u>Amount</u>	<u>% Gross Receipts</u>
Gross Receipts	\$ 80,584,958	
Taxes ⁽²⁾	391,659	0.49%
Prizes	<u>61,790,456</u>	76.68%
Adjusted Gross Income	18,402,843	
Expenses	<u>13,574,396</u>	16.84%
Net Proceeds	<u><u>\$ 4,828,447</u></u>	5.99%

Table 9(b)
Breakdown of Expenses ⁽³⁾

	<u>Amount</u>	<u>% Expenses</u>
Rental of Facility	\$ 1,661,656	12.24%
Other Facility Costs	412,884	3.04%
Contract / Pro. Services	669,118	4.93%
Accounting	265,474	1.96%
Wages	3,591,519	26.46%
Payroll Taxes	358,092	2.64%
Operator Fee ⁽⁴⁾	3,305,994	24.35%
Cost of Pull-tab Games	<u>1,648,308</u>	12.14%
Pull-Tab Tax Paid	483,652	3.56%
Cost of Bingo Cards	447,612	3.30%
Advertising	18,730	0.14%
Equipment Purchases	2,926	0.02%
Other Expenses ⁽⁵⁾	489,486	3.61%
Door Prizes	<u>218,945</u>	1.61%
Total Expenses	<u><u>\$ 13,574,396</u></u>	

(1) Based on 27 operator annual reports filed with the division as of 08/31/2004.

(2) Reported taxes should include only the federal excise tax and municipal sales taxes on gross receipts.

(3) Total Expense reported on Schedule C, prior to any limitations, except for operator fees.

(4) Reported Operator fees have been reduced to reflect actual operator payments to permittees.

(5) Other expenses include repairs and maintenance, insurance, utilities, depreciation, printing, shipping, supplies, travel and miscellaneous.

Table 10(a)
2003 Multiple-Beneficiary Permittee Activity ⁽¹⁾

	<u>Amount</u>	<u>% Gross Receipts</u>
Gross Receipts	\$ 73,352,356	
Taxes ⁽²⁾	64,752	0.09%
Prizes	<u>55,940,230</u>	76.26%
Adjusted Gross Income	17,347,374	
Expenses	<u>11,674,506</u>	15.92%
Net Proceeds	<u>\$ 5,672,868</u>	7.73%

Table 10(b)
Breakdown of Expenses ⁽³⁾

	<u>Amount</u>	<u>% Expenses</u>
Rental of Facility	\$ 1,352,523	11.59%
Other Facility Costs	621,262	5.32%
Contract / Pro. Services	151,072	1.29%
Accounting	189,025	1.62%
Wages	3,969,066	34.00%
Payroll Taxes	391,758	3.36%
Vendor Compensation	176,725	1.51%
Cost of Pull-tab Games	1,074,541	9.20%
Pull-Tab Tax Paid	285,896	2.45%
Cost of Bingo Cards	1,214,888	10.41%
Advertising	225,740	1.93%
Equipment Purchases	215,189	1.84%
Other Expenses ⁽⁴⁾	1,091,006	9.35%
Door Prizes	<u>715,815</u>	6.13%
Total Expenses	<u>\$ 11,674,506</u>	

(1) Based on 17 MBP annual reports filed with the division as of 08/31/2004. Includes MBP Vendor Activity.

(2) Reported taxes should include only the federal excise tax and municipal sales taxes on gross receipts.

(3) Total Expense reported on Schedule C, prior to any limitations.

(4) Other expenses include repairs and maintenance, insurance, utilities, depreciation, permittee fees, printing, shipping, supplies, travel and miscellaneous.

Table 11
2003 Activity by Organization Type ⁽¹⁾

<u>Organization Type</u>	<u>Gross Receipts</u>	<u>Taxes ⁽²⁾</u>	<u>Prizes</u>	<u>Adjusted Gross Income</u>	<u>Expenses ⁽³⁾</u>	<u>Net Proceeds</u>
Charitable	\$ 84,791,454	\$ 328,444	\$ 63,785,559	\$ 20,677,451	\$ 13,365,415	\$ 7,312,036
Civic or Service	60,249,747	205,572	45,374,862	14,669,313	8,767,973	5,901,340
Educational	59,279,979	206,005	45,044,191	14,029,783	8,782,719	5,247,064
IRA/Native Village	32,170,846	37,328	24,240,350	7,893,168	4,609,114	3,284,054
Veterans	30,637,860	145,964	23,809,463	6,682,433	4,252,883	2,429,550
Municipality	30,368,597	35,494	23,141,212	7,191,891	4,019,352	3,172,539
Fraternal	27,666,216	189,362	21,477,831	5,999,023	3,351,349	2,647,674
Nonprofit Trade Assn	9,335,684	10,249	7,205,705	2,119,730	1,246,014	873,716
Dog Musers' Assn	9,183,646	126,639	7,422,414	1,634,593	1,791,981	(157,388)
Police or Fire Dept	6,698,377	43,267	5,189,704	1,465,406	908,068	557,338
Religious	3,025,262	7,134	2,238,401	779,727	374,145	405,582
Labor	1,032,308	1,540	713,895	316,873	152,971	163,902
Political	780,411	1,603	572,546	206,262	143,515	62,747
Fishing Derby Assn	70,049	0	23,955	46,094	32,631	13,463
Total	\$ 355,290,436	\$ 1,338,601	\$ 270,240,088	\$ 83,711,747	\$ 51,798,130	\$ 31,913,617

(1) Based on 1,077 permittee annual reports, 27 operator annual reports, 17 MBP annual reports filed with the division as of 08/31/2004.

(2) Reported taxes should include only the federal excise tax and municipal sales taxes on gross receipts.

(3) Total Expense reported on Schedule C, prior to any limitations, except for operator fees. Reported operator fees have been reduced to reflect actual operator payments to permittees.

Table 12
Gross Receipts from Gaming by Organization Type

<u>Organization Type</u>	<u>2003</u> ⁽¹⁾		<u>2002</u> ⁽²⁾
	Gross Receipts		Gross Receipts
Charitable	\$ 84,791,454	Charitable	\$ 86,143,587
Civic or Service	60,249,747	Educational	61,162,464
Educational	59,279,979	Civic or Service	59,019,269
IRA/Native Village	32,170,846	IRA/Native Village	34,741,171
Veterans	30,637,860	Municipality	30,356,709
Municipality	30,368,597	Veterans	32,051,603
Fraternal	27,666,216	Fraternal	26,802,644
Nonprofit Trade Assn	9,335,684	Nonprofit Trade Assn	9,690,896
Dog Musers' Assn	9,183,646	Dog Musers' Assn	8,247,858
Police or Fire Dept	6,698,377	Police or Fire Dept	6,429,296
Religious	3,025,262	Religious	2,795,591
Labor	1,032,308	Political	707,736
Political	780,411	Labor	190,582
Fishing Derby Assn	<u>70,049</u>	Fishing Derby Assn	<u>88,660</u>
Total	<u><u>\$ 355,290,436</u></u>	Total	<u><u>\$ 358,428,066</u></u>

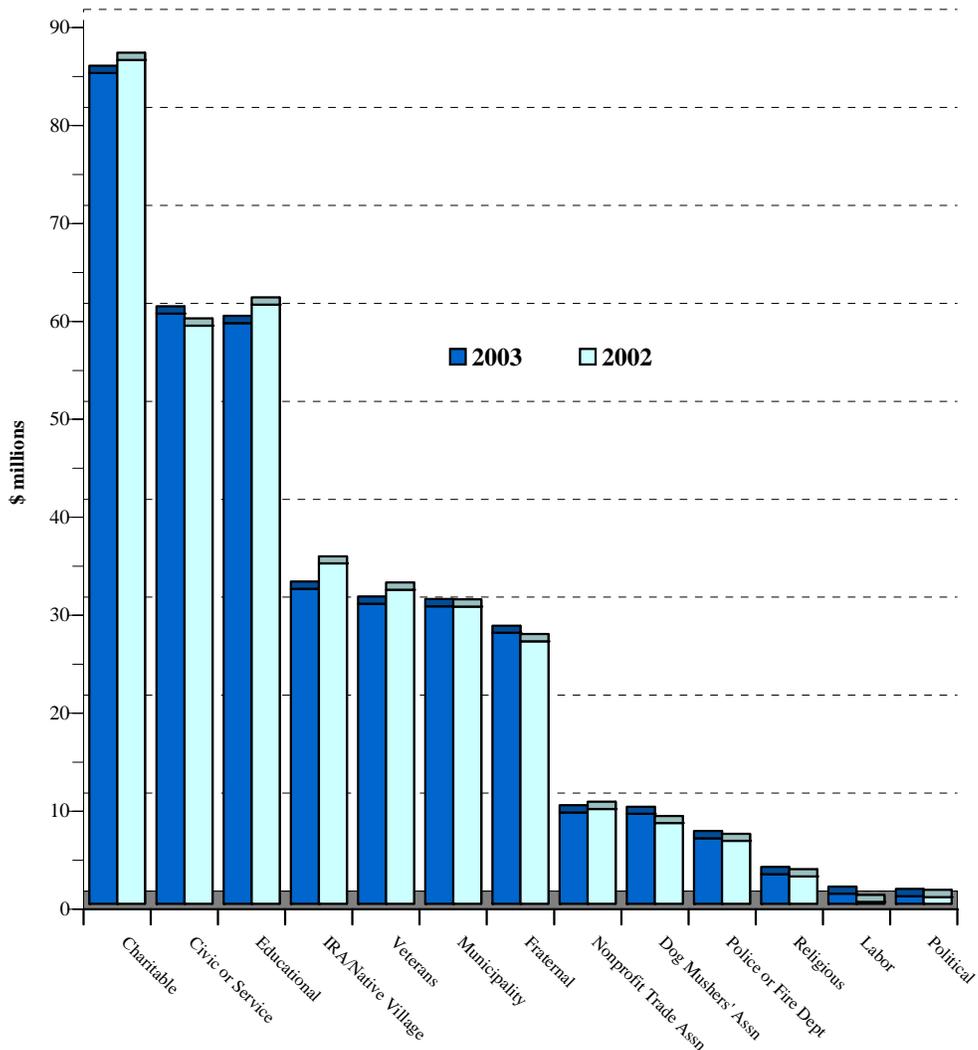
(1) Based on 1,077 permittee annual reports, 27 operator annual reports, and 17 MBP annual reports filed with the division as of 08/31/2004.

(2) Based on 1,171 permittee annual reports, 27 operator annual reports, and 14 MBP annual reports filed with the division as of 07/30/2003.

Organization types as reported were reviewed and, when necessary, reclassified to the correct category.

Chart 3 (1)
Gross Receipts by Organization Type

Gross Receipts
 2003 - \$355,290,436
 2002 - \$358,428,066



(1) Fishing Derby Associations do not appear in this chart.

Table 13(a)
Licensed Operators and Locations

City	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>1996</u>	<u>1995</u>	<u>1994</u>	<u>1993</u>
Anchorage	5	7	7	8	6	6	4	6	12	12	13
Barrow	0	0	0	0	0	0	0	0	0	0	0
Bethel	1	1	1	1	2	1	1	1	1	1	1
Craig	3	3	3	3	3	3	3	2	2	2	1
Fairbanks	6	7	6	4	4	4	4	5	5	7	7
Haines	0	0	0	0	0	0	0	0	0	0	1
Juneau	2	1	1	1	1	0	0	1	1	3	5
Ketchikan	5	5	5	4	3	3	3	3	2	3	3
Nome	2	2	2	2	2	2	2	2	1	2	2
North Pole	1	0	0	1	1	1	2	2	2	2	2
Palmer	0	0	0	0	0	0	0	1	0	0	0
Petersburg	1	1	1	1	1	1	1	1	1	1	1
Valdez	0	0	0	0	1	1	1	1	1	1	1
Wasilla	1	0	0	0	0	0	0	0	0	1	1
Total	<u>27</u>	<u>27</u>	<u>26</u>	<u>25</u>	<u>24</u>	<u>22</u>	<u>21</u>	<u>25</u>	<u>28</u>	<u>35</u>	<u>38</u>

Table 13(b)
Licensed Distributors and Locations

City	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>1996</u>	<u>1995</u>	<u>1994</u>	<u>1993</u>
Anchorage	4	3	3	5	5	5	5	6	5	5	7
Cordova	0	0	0	0	0	0	0	0	0	0	0
Eagle River	0	0	0	0	0	0	0	0	0	0	0
Fairbanks	3	4	4	2	2	3	3	3	3	4	2
Juneau	2	2	2	2	2	2	2	3	3	4	3
Kenai	0	0	0	0	1	0	0	0	0	0	0
Ketchikan	1	1	1	1	1	1	1	1	1	2	2
Nome	1	1	1	1	1	1	1	1	1	1	1
Sitka	1	1	1	1	1	1	1	1	1	1	1
Soldotna	1	1	1	1	1	1	1	1	1	1	1
Wasilla	0	0	0	0	0	0	0	0	0	1	1
Total	<u>13</u>	<u>13</u>	<u>13</u>	<u>13</u>	<u>14</u>	<u>14</u>	<u>14</u>	<u>16</u>	<u>15</u>	<u>19</u>	<u>18</u>

Table 14(a)
2003 Registered Vendors and Locations

Charitable Gaming

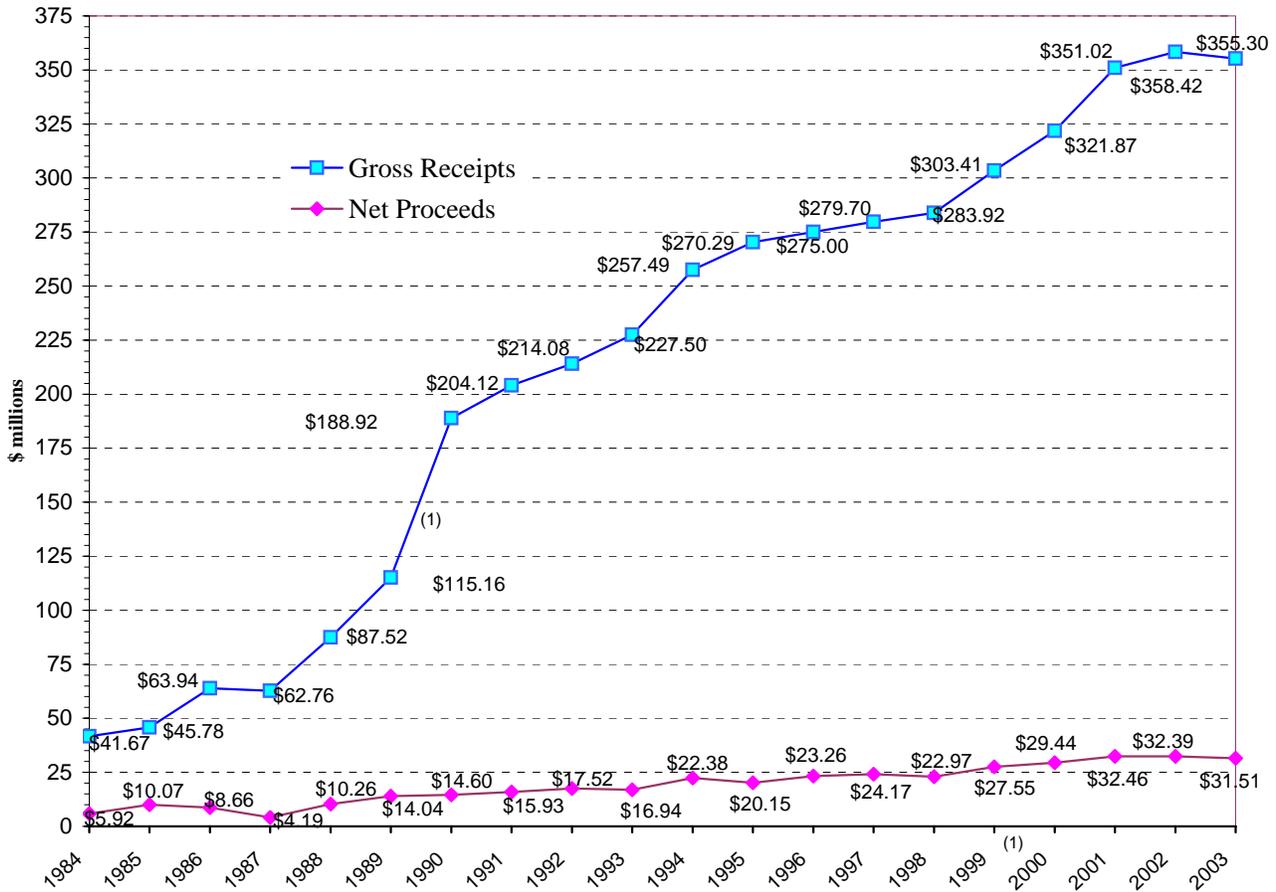
<u>City</u>	<u>Vendors</u>	<u>City</u>	<u>Vendors</u>
Anchor Point	1	Kiana	1
Anchorage	47	King Cove	1
Anderson	1	King Salmon	1
Auke Bay	1	Kodiak	4
Big Lake	3	Kotlik	1
Cantwell	1	Manley Hot Springs	1
Chitina	1	Moose Creek	1
Chugiak	2	Moose Pass	1
Cooper Landing	1	Naknek	3
Copper Center	3	Nenana	5
Cordova	3	Nikiski	1
Craig	1	Ninilchik	2
Delta Junction	2	Nome	10
Denali	1	North Pole	5
Douglas	-	Palmer	6
Dutch Harbor	2	Petersburg	1
Eagle River	4	Salcha	2
Ester	1	Seldovia	1
Fairbanks	41	Seward	5
Gakona	1	Sitka	5
Galena	1	Soldotna	6
Glennallen	3	Sterling	2
Haines	3	Talkeetna	4
Healy	1	Tok	3
Homer	9	Trappers Creek	1
Houston	1	Unalaska	3
Juneau	13	Valdez	5
Kasilof	1	Wasilla	13
Kenai	11	Willow	4
Ketchikan	6	Wrangell	3
		Yakutat	2
		Total Vendors in 2003	<u>269</u>
		Total Vendors in 2002	<u>253</u>

Table 14(b)
Multiple-Beneficiary Permittees (MBP) and Locations

<u>City</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>
Anchorage	5	5	6	6	9	8
Fairbanks	3	2	2	2	2	2
Homer	1	0	0	0	0	0
Juneau	3	4	4	3	3	5
Kenai	3	2	1	1	1	1
Kodiak	2	1	1	0	0	0
Total MBPs	<u>17</u>	<u>14</u>	<u>14</u>	<u>12</u>	<u>15</u>	<u>16</u>

Chart 4(a)
Annual Gross Receipts and Net Proceeds
1983-2003

Charitable Gaming Detail



(1) Pull-Tabs were legalized and prize limits increased in 1988.

Chart 4(b)
Net Proceeds as a Percentage of Gross Receipts
1983 - 2003

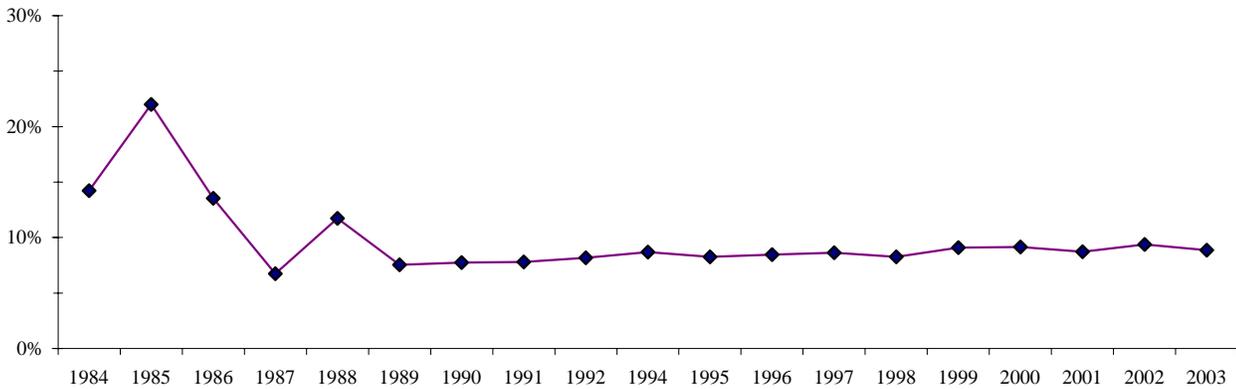
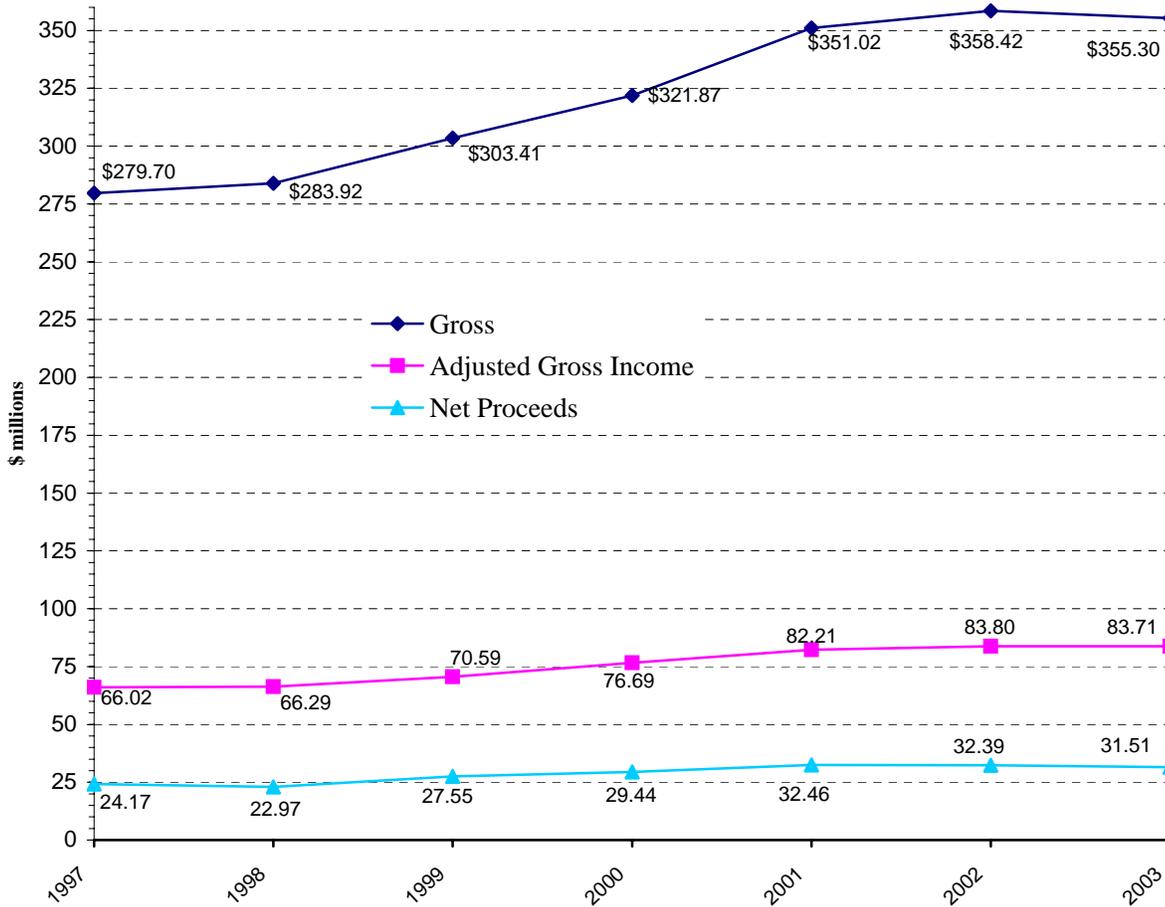


Chart 5(a)
Annual Adjusted Gross Income and Net Proceeds
1997 - 2003



This chart illustrates the impact of prizes on net proceeds. The space between gross receipts and adjusted gross income represents prizes and taxes on gross receipts, with taxes accounting for less than 1/2 of 1 percent of the total taxes and prizes. Adjusted gross income is the amount of money available to pay gaming expenses and make distributions of net proceeds.

Chart 5(b)
Net Proceeds as a Percentage of Adjusted Gross Income
1997 - 2003

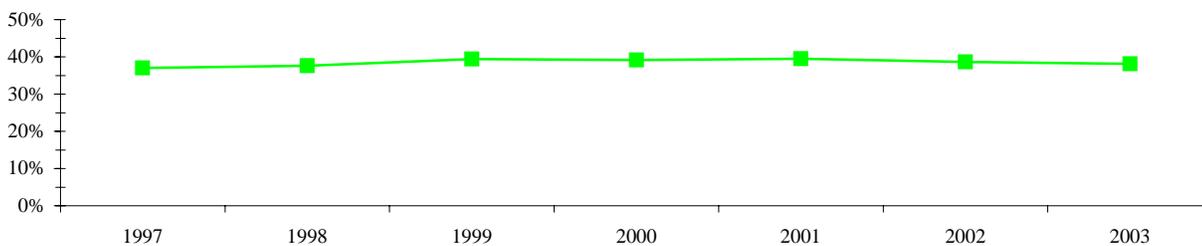


Chart 6
Annual Gross Receipts, Prizes, Expenses,
Taxes, and Net Proceeds

