

STATE OF ALASKA

DEPARTMENT OF REVENUE

*Tax Division
Gaming Group*



**Calendar Year 2004
ANNUAL REPORT OF GAMING GROUP OPERATIONS**

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

Frank Murkowski
Governor

William A. Corbus
Commissioner

2004

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 2004.

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 2004, as reported by permittees and operators and filed as of July 31, 2005. 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, 2003 financial data are included on certain schedules in this report.

2004 Gaming Overview

Gaming in Alaska is big business. In calendar year 2004, the total amount gamed by the public exceeded \$341,000,000. After prizes were paid out, approximately \$81,000,000 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.

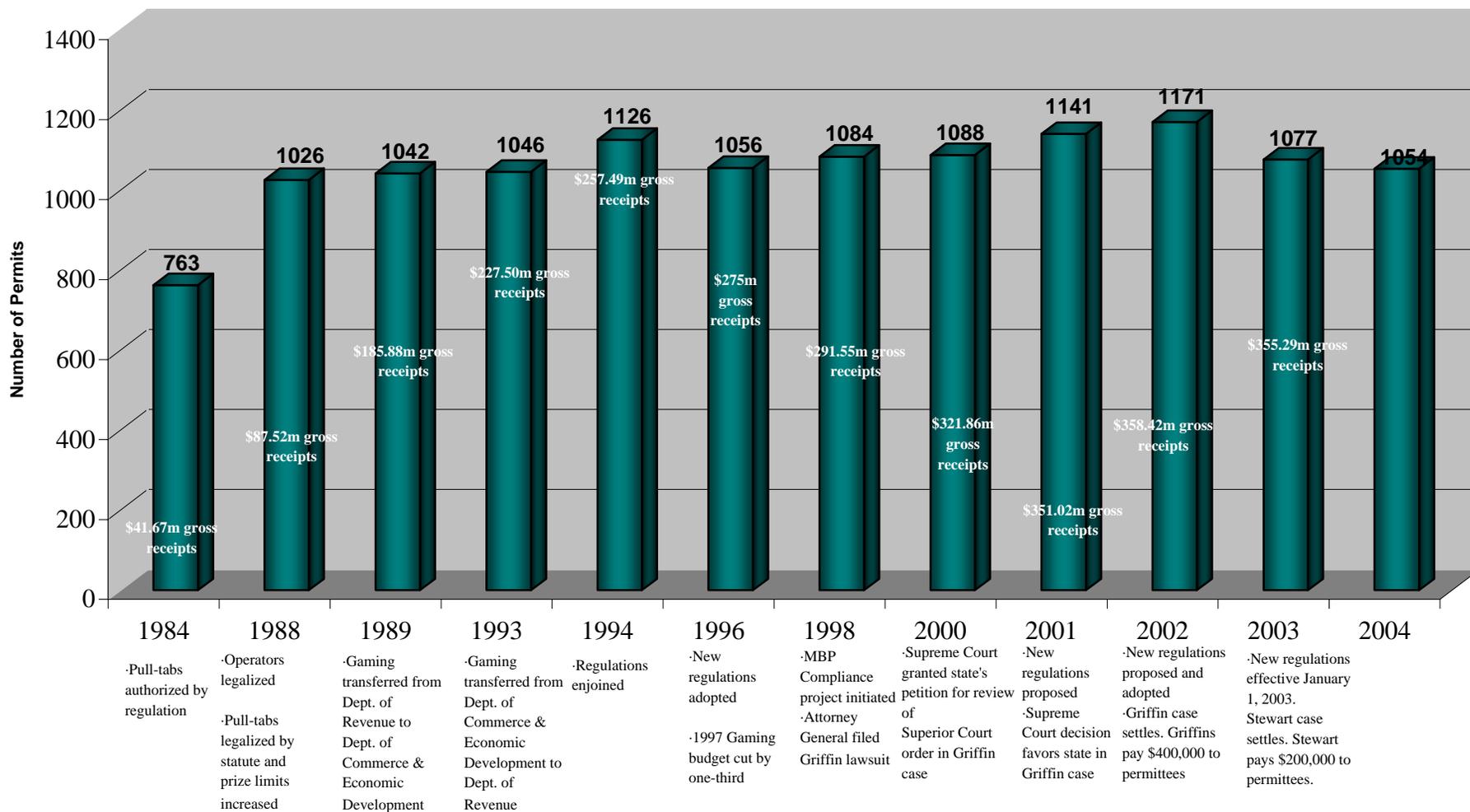
The authority to conduct gaming activity is contingent upon the dedication of the net proceeds of the gaming activity for specific purposes. Only reasonable and necessary expenses may be incurred or paid in connection with a gaming activity. The gaming statutes provide for caps on expenses, not to exceed 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 2004 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



2004 Gaming Industry Facts and Trends

The Division presents data in this report based upon permittee and operator annual reports filed as of July 31, 2005. 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 2004 calendar year permittee data on 1,054 annual financial statements filed as of July 31, 2005. There are 90 annual reports outstanding and the Division excluded five erroneous or incomplete reports.
- The division issued 17 MBP permits in 2003 and 17 in 2004. All MBPs filed their reports.
- The division issued 27 operator licenses in 2003 and 22 in 2004. All Operators filed their reports.

Fees and taxes collected by the division:	FY-05	FY-04
3% Tax on Pull-Tabs:	\$ 1,944,158	\$ 1,887,015
1% Additional Fee on Permittees' Gaming Profits:	357,176	386,220
Permit and License Fees:	156,478	150,043
	\$ 2,457,812	\$ 2,423,278

- Distributors reported \$1,936,877 of pull-tab tax paid for calendar year 2004.

2004 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. 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. One MPB voluntarily closed its bingo operation on January 1, 2004.

MBP compliance efforts continued in 2004. Neither of the MBPs that failed to meet the expense limitations and minimum net proceeds payment distributions in 2003 was able to come into compliance for 2004. One of the MBPs did not apply for a 2005 gaming permit. Because of extenuating circumstances, the Division entered into an agreement with the other MBP in which the MBP would voluntarily dissolve at the end of 2005 if the pull-tab activity were still out of compliance at that time. The members also agreed not to seek separate permits for the self-directed sale of pull-tabs for a period of one year if the MBP were out of compliance at the end of 2005.

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 Division's 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.

The Division is also concerned that some distributors of gaming supplies, and some registered vendors selling pull-tabs for permittees, have been pressuring permittees to buy point-of-sale accounting systems for use by registered vendors. These are unnecessary expenses for permittees, and the Division issued a general policy letter about this.

The Division adopted new regulations, effective in December 2004, to implement the animal classics that were enacted earlier in the year. These classics are limited to those permittees which had them before November 2002.

2004 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 2003, before a Supreme Court ruling, the parties settled the case with terms that Stewart pay \$200,000 to the permittees. Mr. Stewart made final payment in January 2004.

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 contended 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.

State of Alaska vs. Loyd Reese. The Department filed an action in Anchorage Superior Court seeking to collect on amounts Mr. Reese underpaid his authorizing permittees during 1994-1997, when he was an operator. The Gaming Unit calculated the amount Mr. Reese owes is in excess of \$500,000, plus interest.

Other 2004 and 2005 Regulatory Actions

Raffle Scam: A joint investigation by the Gaming Group and the Valdez Police Department, opened in March 2004, 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 of theft.

Theft of Proceeds: A joint investigation by the Gaming Group and the Bristol Bay Police Department, opened in May 2004, revealed that Robert Hodgdon, Jr., an employee of the Elevation of the Holy Cross Church, South Naknek, 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 to 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.

2004 Current Events and Regulatory Actions

Nicholas Monsen Memorial Scholarship Fund (NMMSF). A January 2004 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 cited for this violation. Both vendors were cited for conflict of interest violations. Each of the NMMSF vendor registrations was 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.

Anchorage American Legion Post 28. Investigation showed that the Post donated \$10,000 of net proceeds to the American Legion Department of Alaska's National Commander's Fund to further the campaign of a member to become the American Legion National Commander, and a Notice of Violation was issued on March 8, 2004. The money was subsequently returned to Post 28 for proper use.

Napayarmiut Mikelnguit Committee of Hooper Bay. (NMC) Per a complaint, investigation found that NMC paid stipends for attendance at local board meetings and paid both an exorbitant salary and loans, as salary advances, to its director from net proceeds. These improper payments totaled over \$71,000. A Notice of Violation was issued on March 8, 2004, and the case was referred to the Office of Special Prosecutions and Appeals.

Aniak Traditional Council (ATC). An investigation in May 2004 revealed an undetermined shortage of net proceeds and possible embezzlement of gaming funds. The case was referred to the Alaska State Troopers.

Palmer American Legion Post 15. A Notice of Violation was issued on May 2, 2005, because of evidence of past activity that could have been illegal gambling. Investigation showed that the Post had six resettable slot machines and the infrastructure to use them, but no evidence was found that the machines were operational at the time of the inspection.

Anchorage AmVets Post 2. Investigation in July 2005 found that the Post failed to account properly for pull-tabs; had faulty pull-tab procedures, had various raffle procedural infractions and gaming account violations; and failed to keep adequate records to account for raffle net proceeds. There was also an appearance of conflict of interests, in that the gaming manager drew his own winning ticket in a raffle.

Hooper Bay Search and Rescue. Investigation showed that the permittee paid stipends to members to attend meetings; paid bonuses to some members out of net proceeds; failed to keep a separate gaming account, failed to maintain inventory records for gaming supplies; and made loans from net proceeds. A Notice of Violation and a Notice of Suspension were issued on October 13, 2005. The suspension was appealed, and is awaiting adjudication.

Native Village of Hooper Bay. Investigation revealed that stipends were paid to members to attend meetings; a felon was employed in a managerial position, and gaming records were incomplete. A Notice of Violation was issued on November 14, 2005.

2004 Current Events and Regulatory Actions

Other 2005 Developments

With new investigative positions authorized for tobacco enforcement, the Department formed a new Investigation Unit. The Unit is staffed with a Chief Investigator and four investigators, and is charged with the investigation of tobacco and gaming cases, as well as cases in several other excise tax areas. During 2005, the investigators had 339 gaming activities, which included answers to questions from the public and 221 inspections of gaming premises, and 758 tobacco activities, throughout the state. The investigators are also charged with educating the public and businesses on the statutes and regulations in regards to gaming and tobacco.

Two regulation projects were concluded in 2005. The first combined various housekeeping changes with reorganization of the sections dealing with informal conferences and formal hearings in response to the statutory transfer of formal hearings from the various departments to the Department of Administration, and also added several raffle variations to the authorized list of activities. The second project implemented Calcutta pools and crane classics that the legislature enacted in the special session.

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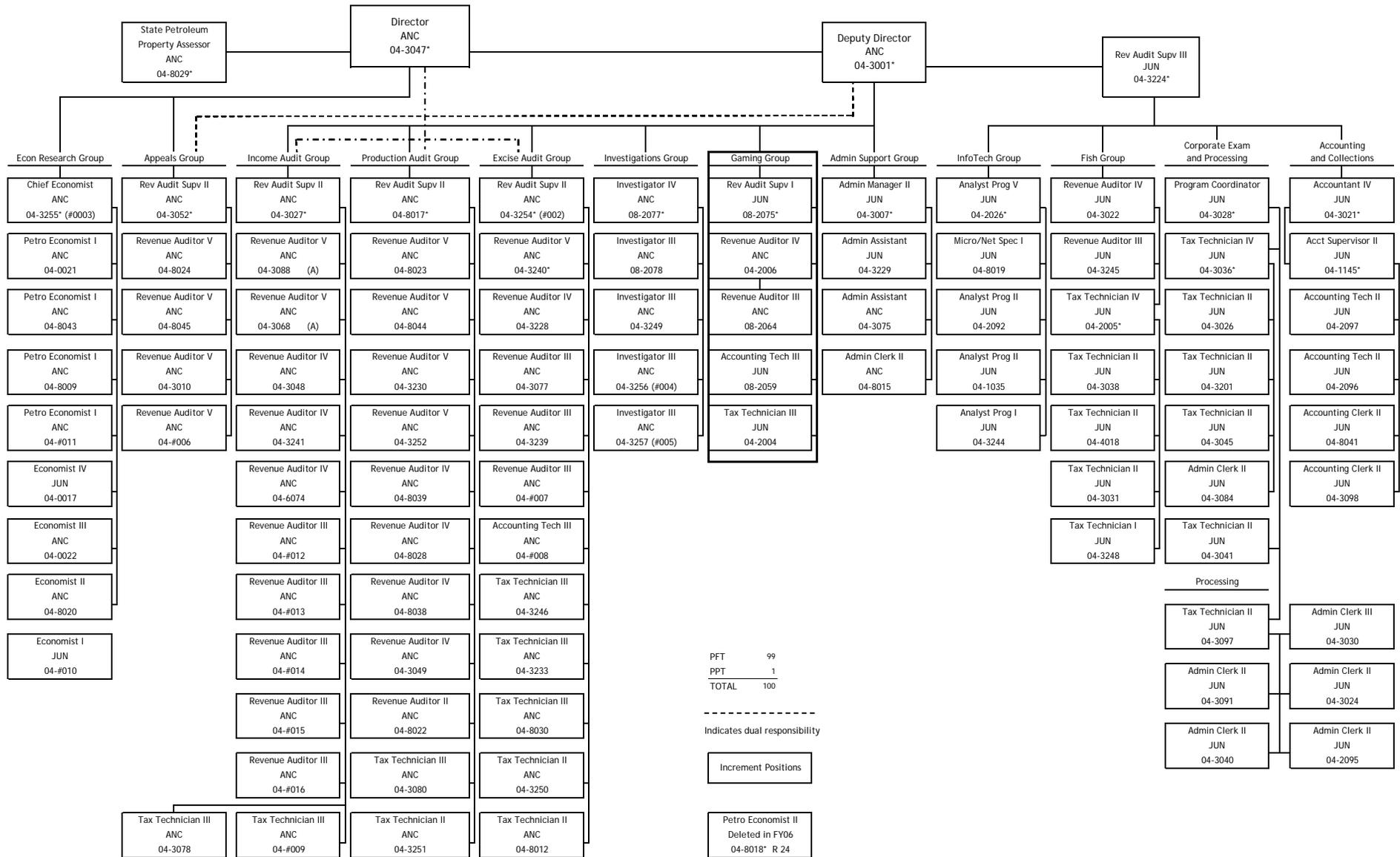


Table 1
Schedule of Charitable Gaming Activity
for Calendar Years

	2004 ⁽¹⁾		2003 ⁽²⁾	
	<u>Amount</u>	<u>% Gross Receipts</u>	<u>Amount</u>	<u>% Gross Receipts</u>
Gross Receipts	\$ 341,224,643		\$ 355,290,436	
Taxes (4)	1,109,134	0.33%	1,338,601	0.38%
Prizes	<u>258,806,823</u>	75.84%	<u>270,240,088</u>	76.06%
Adjusted Gross Income	81,308,686		83,711,747	
Expenses	<u>50,287,428</u>	14.74%	<u>51,798,130</u>	14.58%
Net Proceeds	<u>\$ 31,021,258</u>	9.09%	<u>\$ 31,913,617</u>	8.98%

Breakdown of Expenses (3)

	2004	2003
Rental of Facility	\$ 4,499,944	\$ 4,672,891
Other Facility Costs	2,139,318	1,965,710
Contract / Pro. Services	1,432,579	1,366,467
Accounting	1,021,143	1,273,702
Wages	15,567,819	16,078,702
Payroll Taxes	1,962,040	1,975,590
Operator Fee (5)	3,347,758	3,305,994
Vendor Compensation	2,581,097	2,660,825
Cost of Pull-tab Games	7,127,336	7,557,868
Pull-Tab Tax Paid (6)	1,657,451	1,733,284
Cost of Bingo Cards	1,996,353	2,053,003
Advertising	392,685	489,287
Equipment Purchases	456,056	480,448
Other Expenses (7)	4,690,308	4,777,584
Door Prizes	<u>1,415,541</u>	<u>1,406,775</u>
Total Expenses	<u>\$ 50,287,428</u>	<u>\$ 51,798,130</u>

(1) Based on 1,054 permittee annual reports, 22 operator annual reports, 17 MBP annual reports filed with the division as of 07/31/2005.

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

(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.

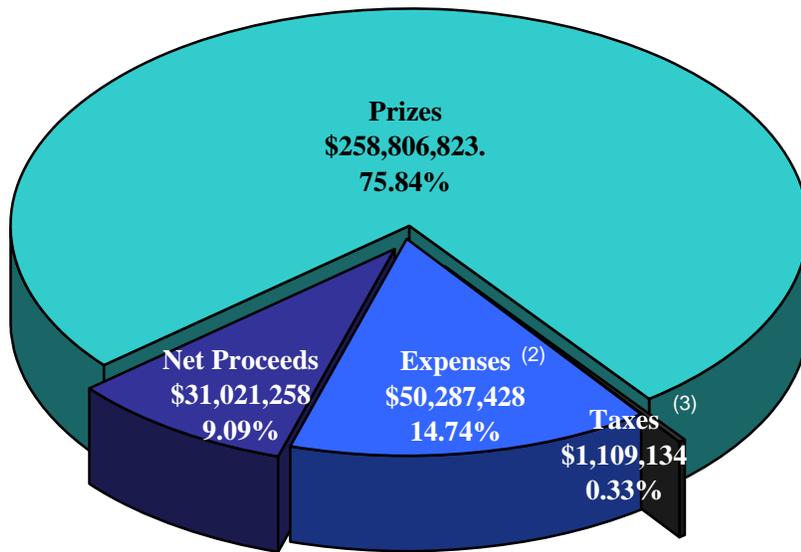
(5) Reported Operator fees have been reduced to reflect actual operator payments to permittees.

(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
2004 Gross Receipts Distribution ⁽¹⁾

as a percentage of Gross Receipts



Total Gross Receipts: \$341,224,643.

(1) Based on 1,054 permittee annual reports, 22 operator annual reports, 17 MBP annual reports filed with the division as of 07/31/2005.

(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)
2004 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	\$ 157,137,035		\$ 37,402,296		\$ 74,401,772		\$ 72,283,540		\$ 341,224,643	
Taxes ⁽⁴⁾	540,036	0.34%	129,982	0.35%	345,276	0.46%	93,840	0.13%	1,109,134	0.33%
Prizes	<u>118,353,917</u>	75.32%	<u>29,140,000</u>	77.91%	<u>56,438,824</u>	75.86%	<u>54,874,082</u>	75.92%	<u>258,806,823</u>	75.84%
Adjusted Gross Income	38,243,082		8,132,314		17,617,672		17,315,618		81,308,686	
Expenses	<u>22,041,701</u>	14.03%	<u>3,961,018</u>	10.59%	<u>12,950,814</u>	17.41%	<u>11,333,895</u>	15.68%	<u>50,287,428</u>	14.74%
Net Proceeds	<u>\$ 16,201,381</u>	10.31%	<u>\$ 4,171,296</u>	11.15%	<u>\$ 4,666,858</u>	6.27%	<u>\$ 5,981,723</u>	8.27%	<u>\$ 31,021,258</u>	9.09%

Table 2(b)
2003 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	\$ 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%

(1) Based on 1,054 permittee annual reports, 22 operator annual reports, 17 MBP annual reports filed with the division as of 07/31/2005.

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

(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
2004 Breakdown of Expenses by Business Classification (1), (2)

	Permittees	Vendors	Operators	MBPs	Totals
Rental of Facility	\$ 1,621,521	\$ -	\$ 1,506,680	\$ 1,371,743	\$ 4,499,944
Other Facility Costs	1,176,962	-	366,483	595,873	2,139,318
Contract / Pro. Services	600,360	-	689,556	142,663	1,432,579
Accounting	648,146	-	165,011	207,986	1,021,143
Wages	8,310,836	-	3,319,339	3,937,644	15,567,819
Payroll Taxes	1,201,063	-	359,395	401,582	1,962,040
Operator Fee (2)	-	-	3,347,758	-	3,347,758
Vendor Compensation	-	2,411,028	-	170,069	2,581,097
Cost of Pull-tab Games	3,476,714	1,081,496	1,459,727	1,109,399	7,127,336
Pull-Tab Tax Paid	726,917	239,977	403,560	286,997	1,657,451
Cost of Bingo Cards	369,780	-	493,748	1,132,825	1,996,353
Advertising	236,157	-	30,425	126,103	392,685
Equipment Purchases	249,166	-	10,310	196,580	456,056
Other Expenses (3)	2,918,003	228,517	517,391	1,026,397	4,690,308
Door Prizes	506,076	-	281,431	628,034	1,415,541
Total	\$ 22,041,701	\$ 3,961,018	\$ 12,950,814	\$ 11,333,895	\$ 50,287,428

(1) Based on 1,054 permittee annual reports, 22 operator annual reports, and 17 MBP annual reports filed with the division as of 07/31/2005.

(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)
2004 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	\$ 262,191,946	\$ 1,009,654	\$ 205,041,276	\$ 56,141,016	\$ 33,358,093	\$ 22,782,923
Bingo	67,027,886	87,924	47,945,946	18,994,016	14,700,878	4,293,138
Raffle or Lottery	9,534,294	9,719	3,529,301	5,995,274	820,836	5,174,438
Fish Derby	1,018,811	131	472,755	545,925	241,193	304,732
Ice Classic	603,983	0	301,000	302,983	269,179	33,804
Animal Classic	284,122	0	193,107	91,015	61,713	29,302
Dog Musher Contest	191,610	0	1,071,646	(880,036)	669,432	(1,549,468)
Contest of Skill	170,021	1,625	101,999	66,397	66,656	(259)
Snow Machine Classic	155,863	81	142,000	13,782	68,549	(54,767)
Race Classic	44,115	0	4,793	39,322	30,003	9,319
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	1,992	-0-	3,000	(1,008)	896	(1,904)
Total	\$ 341,224,643	\$ 1,109,134	\$ 258,806,823	\$ 81,308,686	\$ 50,287,428	\$ 31,021,258

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

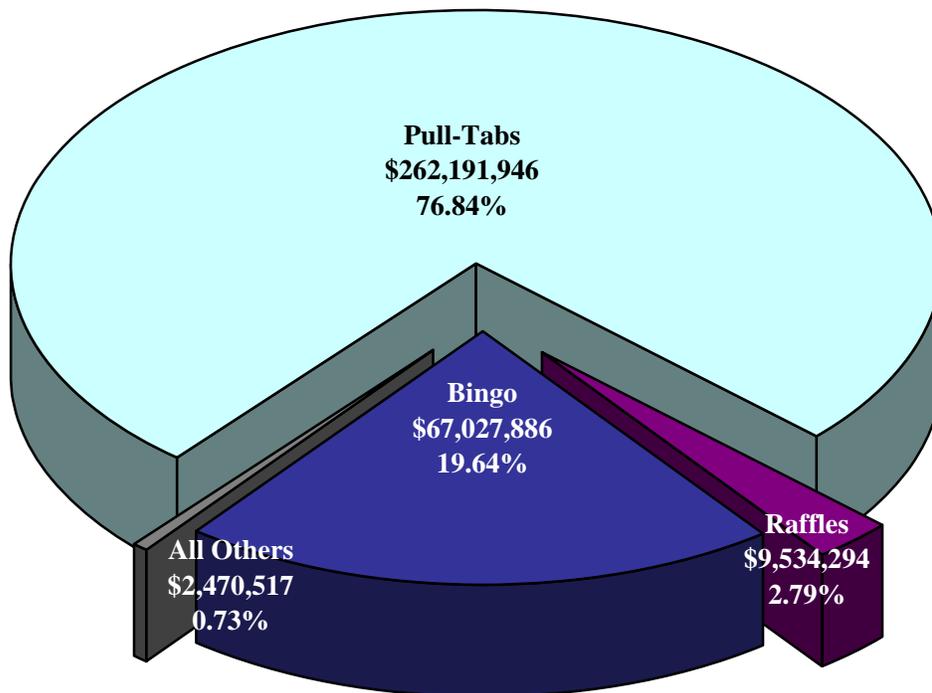
Pull-Tabs						
Permittee	\$ 118,699,603	\$ 440,556	\$ 92,814,065	\$ 25,444,982	\$ 14,634,145	\$ 10,810,837
MBP	44,935,692	93,840	35,814,283	9,027,569	5,444,033	3,583,536
Vendor	37,402,296	129,982	29,140,000	8,132,314	3,961,018	4,171,296
Operator ⁽³⁾	61,154,355	345,276	47,272,928	13,536,151	9,318,897	4,217,254
Total	\$ 262,191,946	\$ 1,009,654	\$ 205,041,276	\$ 56,141,016	\$ 33,358,093	\$ 22,782,923
Bingo						
Permittee	\$ 27,104,627	\$ 87,924	\$ 20,150,803	\$ 6,865,900	\$ 5,359,814	\$ 1,506,086
MBP	27,302,028	0	19,031,823	8,270,205	5,889,290	2,380,915
Operator ⁽³⁾	12,621,231	0	8,763,320	3,857,911	3,451,774	406,137
Total	\$ 67,027,886	\$ 87,924	\$ 47,945,946	\$ 18,994,016	\$ 14,700,878	\$ 4,293,138
Raffles and Lotteries						
Permittee	\$ 9,213,401	\$ 9,719	\$ 3,363,789	\$ 5,839,893	\$ 710,237	\$ 5,129,656
MBP	45,820	0	27,976	17,844	572	17,272
Operator ⁽³⁾	275,073	0	137,536	137,537	110,027	27,510
Total	\$ 9,534,294	\$ 9,719	\$ 3,529,301	\$ 5,995,274	\$ 820,836	\$ 5,174,438

(1) Based on 1,054 permittee annual reports, 22 operator annual reports, 17 MBP annual reports filed with the division as of 07/31/2005.

(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
2004 Gross Receipts by Game Type ⁽¹⁾
as a percentage of Gross Receipts



Total Gross Receipts: \$341,224,643

(1) Based on 1,054 permittee annual reports, 22 operator annual reports, 17 MBP annual reports filed with the division as of 07/31/2005.

Table 5(a)
2004 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	\$ 118,699,603	\$ 440,556	\$ 92,814,065	\$ 25,444,982	\$ 14,634,145	\$ 10,810,837
Bingo	27,104,627	87,924	20,150,803	6,865,900	5,359,814	1,506,086
Raffle or Lottery	9,213,401	9,719	3,363,789	5,839,893	710,237	5,129,656
Fish Derby	933,061	131	400,822	532,108	229,390	302,718
Ice Classic	603,983	0	301,000	302,983	269,179	33,804
Contest of Skill	170,021	1,625	101,999	66,397	66,656	(259)
Dog Musher Contest	191,610	0	1,071,646	(880,036)	669,432	(1,549,468)
Snow Machine Classic	155,863	81	142,000	13,781	68,549	(54,768)
Race Classic	44,115	-0-	4,793	39,322	30,003	9,319
Animal Classic	18,759	-0-	-0-	18,759	3,400	15,359
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	1,992	-0-	3,000	(1,008)	896	(1,904)
Total	\$ 157,137,035	\$ 540,036	\$ 118,353,917	\$ 38,243,082	\$ 22,041,701	\$ 16,201,381

Table 5(b)
2004 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	\$ 37,402,296	\$ 129,982	\$ 29,140,000	\$ 8,132,314	\$ 3,961,018	\$ 4,171,296
	As % of Gross Receipts	0.35%	77.91%		10.59%	11.15%

(1) Based on 1,054 permittee annual reports filed with the division as of 07/31/2005.

There are 90 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)
2004 Operator Activity by Game Type (1)

	<u>Pull-Tab</u>	<u>Bingo</u>	<u>Fish Derby</u>	<u>Animal Classic</u>	<u>Raffle</u>	<u>Total</u>
Gross Receipts	\$ 61,154,355	\$ 12,621,231	\$ 85,750	265,363	\$ 275,073	\$ 74,401,772
Taxes ⁽²⁾	345,276	-0-	-0-	-0-	-0-	345,276
Prizes	47,272,928	8,763,320	71,933	193,107	137,536	56,438,824
Adjusted Gross Income	13,536,151	3,857,911	13,817	72,256	137,537	17,617,672
Expenses	9,318,897	3,451,774	11,803	58,313	110,027	12,950,814
Net Proceeds	\$ 4,217,254	\$ 406,137	\$ 2,014	\$ 13,943	\$ 27,510	\$ 4,666,858

Table 6(b)
Breakdown of Expenses (3)

	<u>Pull-Tab</u>	<u>Bingo</u>	<u>Fish Derby</u>	<u>Animal Classic</u>	<u>Raffle</u>	<u>Total</u>
Rental of Facility	\$ 1,159,505	\$ 334,383	\$ 4,500	\$ 2,285	\$ 6,007	\$ 1,506,680
Other Facility Costs	228,759	131,677	-0-	1,872	4,175	366,483
Contract / Pro. Services	460,308	222,175	-0-	1,835	5,238	689,556
Accounting	141,710	22,203	1,013	28	57	165,011
Wages	2,389,469	887,720	-0-	14,884	27,266	3,319,339
Payroll Taxes	270,321	85,526	-0-	1,206	2,342	359,395
Operator Fee ⁽⁴⁾	2,497,749	747,816	6,000	32,779	63,414	3,347,758
Cost of Pull-tab Games	1,459,727	-0-	-0-	-0-	-0-	1,459,727
Pull-Tab Tax Paid	403,560	-0-	-0-	-0-	-0-	403,560
Cost of Bingo Cards	-0-	493,748	-0-	-0-	-0-	493,748
Advertising	17,567	11,035	-0-	1,576	247	30,425
Equipment Purchases	6,929	3,381	-0-	-0-	-0-	10,310
Other Expenses ⁽⁵⁾	262,050	251,922	290	1,848	1,281	517,391
Door Prizes	21,243	260,188	-0-	-0-	-0-	281,431
Total Expenses	\$ 9,318,897	\$ 3,451,774	\$ 11,803	\$ 58,313	\$ 110,027	\$ 12,950,814

(1) Based on 22 operator annual reports filed with the division as of 07/31/2005.

(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)
2004 Multiple-Beneficiary Permittee Activity by Game Type ⁽¹⁾

	<u>Pull-Tab</u>	<u>Bingo</u>	<u>Raffle</u>	<u>Total</u>
Gross Receipts	\$ 44,935,692	\$ 27,302,028	\$ 45,820	72,283,540
Taxes ⁽²⁾	93,840	-0-	-0-	93,840
Prizes	<u>35,814,283</u>	<u>19,031,823</u>	<u>27,976</u>	<u>54,874,082</u>
Adjusted Gross Income	9,027,569	8,270,205	17,844	17,315,618
Expenses ⁽³⁾	<u>5,444,033</u>	<u>5,889,290</u>	<u>572</u>	<u>11,333,895</u>
Net Proceeds	<u>\$ 3,583,536</u>	<u>\$ 2,380,915</u>	<u>\$ 17,272</u>	<u>\$ 5,981,723</u>

Table 7(b)
Breakdown of Expenses ⁽³⁾

	<u>Pull-Tab</u>	<u>Bingo</u>	<u>Raffle</u>	<u>Total</u>
Rental of Facility	\$ 713,734	\$ 658,009	\$ -0-	\$ 1,371,743
Other Facility Costs	217,225	378,648	-0-	595,873
Contract / Pro. Services	69,847	72,690	126	142,663
Accounting	108,938	98,958	90	207,986
Wages	2,025,168	1,912,476	-0-	3,937,644
Payroll Taxes	214,741	186,841	-0-	401,582
Vendor Compensation	170,069	-0-	-0-	170,069
Cost of Pull-tab Games	1,109,399	-0-	-0-	1,109,399
Pull-Tab Tax Paid	286,997	-0-	-0-	286,997
Cost of Bingo Cards	-0-	1,132,825	-0-	1,132,825
Advertising	53,724	72,329	50	126,103
Equipment Purchases	31,046	165,534	-0-	196,580
Other Expenses ⁽⁴⁾	318,929	707,162	306	1,026,397
Door Prizes	<u>124,219</u>	<u>503,815</u>	<u>-0-</u>	<u>628,034</u>
Total Expenses	<u>\$ 5,444,036</u>	<u>\$ 5,889,287</u>	<u>\$ 572</u>	<u>\$ 11,333,895</u>

(1) Based on 17 MBP annual reports filed with the division as of 07/31/2005. 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)
2004 Permittee Self-Directed Activity ⁽¹⁾

	<u>Amount</u>	<u>% Gross Receipts</u>
Gross Receipts	\$ 157,137,035	
Taxes ⁽²⁾	540,036	0.34%
Prizes	<u>118,353,917</u>	75.32%
Adjusted Gross Income	38,243,082	
Expenses	<u>22,041,701</u>	14.03%
Net Proceeds	<u><u>\$ 16,201,381</u></u>	10.31%

Table 8(b)
Breakdown of Expenses ⁽³⁾

	<u>Amount</u>	<u>% Expenses</u>
Rental of Facility	\$ 1,621,521	7.36%
Other Facility Costs	1,176,962	5.33%
Contract / Pro. Services	600,360	2.72%
Accounting	648,146	2.94%
Wages	8,310,836	37.71%
Payroll Taxes	1,201,063	5.45%
Cost of Pull-tab Games	3,476,714	15.77%
Pull-Tab Tax Paid	726,917	3.30%
Cost of Bingo Cards	369,780	1.68%
Advertising	236,157	1.07%
Equipment Purchases	249,166	1.13%
Other Expenses ⁽⁴⁾	2,918,003	13.24%
Door Prizes	<u>506,076</u>	2.30%
Total Expenses	<u><u>\$ 22,041,701</u></u>	

(1) Based on 1,054 permittee annual reports filed with the division as of 07/31/2005.

There are 90 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)
2004 Operator Activity ⁽¹⁾

	<u>Amount</u>	<u>% Gross Receipts</u>
Gross Receipts	\$ 74,401,772	
Taxes ⁽²⁾	345,276	0.46%
Prizes	<u>56,438,824</u>	75.86%
Adjusted Gross Income	17,617,672	
Expenses	<u>12,950,814</u>	17.41%
Net Proceeds	<u><u>\$ 4,666,858</u></u>	6.27%

Table 9(b)
Breakdown of Expenses ⁽³⁾

	<u>Amount</u>	<u>% Expenses</u>
Rental of Facility	\$ 1,506,680	11.63%
Other Facility Costs	366,483	2.83%
Contract / Pro. Services	689,556	5.32%
Accounting	165,011	1.27%
Wages	3,319,339	25.63%
Payroll Taxes	359,395	2.78%
Operator Fee ⁽⁴⁾	3,347,758	25.85%
Cost of Pull-tab Games	1,459,727	11.27%
Pull-Tab Tax Paid	403,560	3.12%
Cost of Bingo Cards	493,748	3.81%
Advertising	30,425	0.23%
Equipment Purchases	10,310	0.08%
Other Expenses ⁽⁵⁾	517,391	4.00%
Door Prizes	<u>281,431</u>	2.18%
Total Expenses	<u><u>\$ 12,950,814</u></u>	

(1) Based on 22 operator annual reports filed with the division as of 07/31/2005.

(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)
2004 Multiple-Beneficiary Permittee Activity ⁽¹⁾

	<u>Amount</u>	<u>% Gross Receipts</u>
Gross Receipts	\$ 72,283,540	
Taxes ⁽²⁾	93,840	0.33%
Prizes	<u>54,874,082</u>	75.84%
Adjusted Gross Income	17,315,618	
Expenses	<u>11,333,895</u>	14.74%
Net Proceeds	<u>\$ 5,981,723</u>	9.09%

Table 10(b)
Breakdown of Expenses ⁽³⁾

	<u>Amount</u>	<u>% Expenses</u>
Rental of Facility	\$ 1,371,743	12.10%
Other Facility Costs	595,873	5.26%
Contract / Pro. Services	142,663	1.26%
Accounting	207,986	1.84%
Wages	3,937,644	34.74%
Payroll Taxes	401,582	3.54%
Vendor Compensation	170,069	1.50%
Cost of Pull-tab Games	1,109,399	9.79%
Pull-Tab Tax Paid	286,997	2.53%
Cost of Bingo Cards	1,132,825	10.00%
Advertising	126,103	1.11%
Equipment Purchases	196,580	1.73%
Other Expenses ⁽⁴⁾	1,026,397	9.06%
Door Prizes	<u>628,034</u>	5.54%
Total Expenses	<u>\$ 11,333,895</u>	

(1) Based on 17 MBP annual reports filed with the division as of 07/31/2005. 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
2004 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	\$ 82,607,122	\$ 212,533	\$ 62,054,797	\$ 20,339,792	\$ 12,969,041	\$ 7,370,751
Civic or Service	59,834,506	248,549	44,535,335	15,050,622	8,723,888	6,326,734
Educational	52,830,611	153,794	39,823,809	12,853,008	7,767,102	5,085,906
Veterans	29,976,665	83,629	23,198,529	6,694,507	3,957,865	2,736,642
IRA/Native Village	27,306,718	116,951	20,580,823	6,608,944	4,129,753	2,479,191
Fraternal	28,508,184	175,805	22,033,606	6,298,773	3,625,714	2,673,059
Municipality	28,020,277	32,732	21,545,423	6,442,122	3,879,359	2,562,763
Nonprofit Trade Assn	9,584,875	22,634	7,414,854	2,147,387	1,221,556	925,831
Dog Musers' Assn	8,395,232	20,265	7,135,289	1,239,678	1,742,572	(502,894)
Police or Fire Dept	6,729,810	22,008	5,225,218	1,482,584	979,728	502,856
Religious	3,696,997	15,396	2,685,940	995,661	544,494	451,167
Political	2,162,343	3,206	1,538,231	620,906	453,677	167,229
Labor	1,430,602	1,632	989,889	439,081	255,073	184,008
Fishing Derby Assn	140,701	0	45,080	95,621	37,606	58,015
Total	<u>\$ 341,224,643</u>	<u>\$ 1,109,134</u>	<u>\$ 258,806,823</u>	<u>\$ 81,308,686</u>	<u>\$ 50,287,428</u>	<u>\$ 31,021,258</u>

(1) Based on 1,054 permittee annual reports, 22 operator annual reports, 17 MBP annual reports filed with the division as of 07/31/2005.

(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>2004</u> ⁽¹⁾		<u>2003</u> ⁽²⁾
	Gross Receipts		Gross Receipts
Charitable	\$ 82,607,122	Charitable	\$ 84,791,454
Civic or Service	59,834,506	Educational	60,249,747
Educational	52,830,611	Civic or Service	59,279,979
IRA/Native Village	27,306,718	IRA/Native Village	32,170,846
Veterans	29,976,665	Municipality	30,637,860
Municipality	28,020,277	Veterans	30,368,597
Fraternal	28,508,184	Fraternal	27,666,216
Nonprofit Trade Assn	9,584,875	Nonprofit Trade Assn	9,335,684
Dog Musers' Assn	8,395,232	Dog Musers' Assn	9,183,646
Police or Fire Dept	6,729,810	Police or Fire Dept	6,698,377
Religious	3,696,997	Religious	3,025,262
Labor	1,430,602	Political	1,032,308
Political	2,162,343	Labor	780,411
Fishing Derby Assn	<u>140,701</u>	Fishing Derby Assn	<u>70,049</u>
Total	<u><u>\$ 341,224,643</u></u>	Total	<u><u>\$ 355,290,436</u></u>

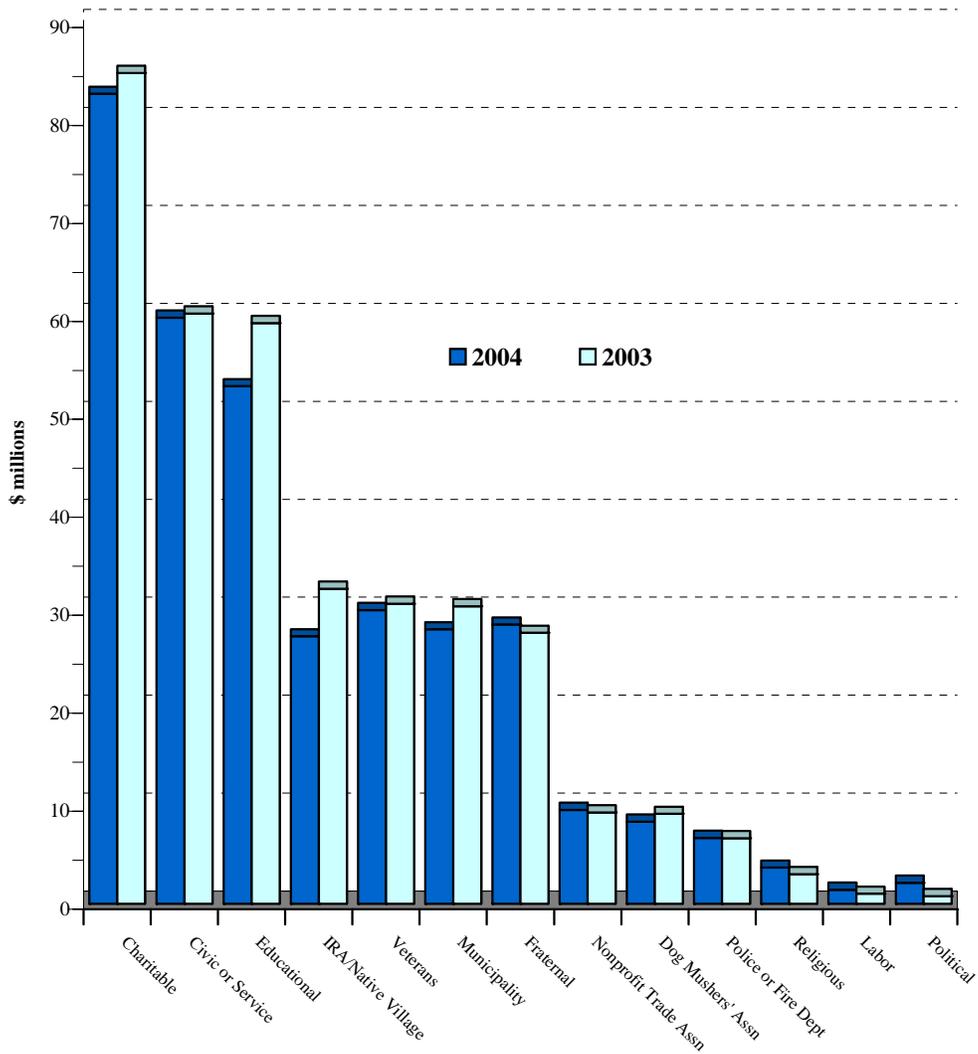
(1) Based on 1,054 permittee annual reports, 22 operator annual reports, and 17 MBP annual reports filed with the division as of 07/31/2005.

(2) 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.

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

Chart 3 (1)
Gross Receipts by Organization Type

Gross Receipts
 2004 - \$341,224,643
 2003 - \$355,290,436



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

Table 13(a)
Licensed Operators and Locations

City	<u>2004</u>	<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	5	7	7	8	6	6	4	6	12	12	13
Barrow	0	0	0	0	0	0	0	0	0	0	0	0
Bethel	1	1	1	1	1	2	1	1	1	1	1	1
Craig	2	3	3	3	3	3	3	3	2	2	2	1
Fairbanks	5	6	7	6	4	4	4	4	5	5	7	7
Haines	0	0	0	0	0	0	0	0	0	0	0	1
Juneau	1	2	1	1	1	1	0	0	1	1	3	5
Ketchikan	4	5	5	5	4	3	3	3	3	2	3	3
Nome	2	2	2	2	2	2	2	2	2	1	2	2
North Pole	1	1	0	0	1	1	1	2	2	2	2	2
Palmer	0	0	0	0	0	0	0	0	1	0	0	0
Petersburg	1	1	1	1	1	1	1	1	1	1	1	1
Valdez	0	0	0	0	0	1	1	1	1	1	1	1
Wasilla	1	1	0	0	0	0	0	0	0	0	1	1
Total	<u>22</u>	<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>2004</u>	<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	3	4	3	3	5	5	5	5	6	5	5	7
Cordova	0	0	0	0	0	0	0	0	0	0	0	0
Eagle River	0	0	0	0	0	0	0	0	0	0	0	0
Fairbanks	3	3	4	4	2	2	3	3	3	3	4	2
Juneau	3	2	2	2	2	2	2	2	3	3	4	3
Kenai	0	0	0	0	0	1	0	0	0	0	0	0
Ketchikan	1	1	1	1	1	1	1	1	1	1	2	2
Nome	0	1	1	1	1	1	1	1	1	1	1	1
Sitka	1	1	1	1	1	1	1	1	1	1	1	1
Soldotna	1	1	1	1	1	1	1	1	1	1	1	1
Wasilla	0	0	0	0	0	0	0	0	0	0	1	1
Total	<u>12</u>	<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)
2004 Registered Vendors and Locations

Charitable Gaming Detail

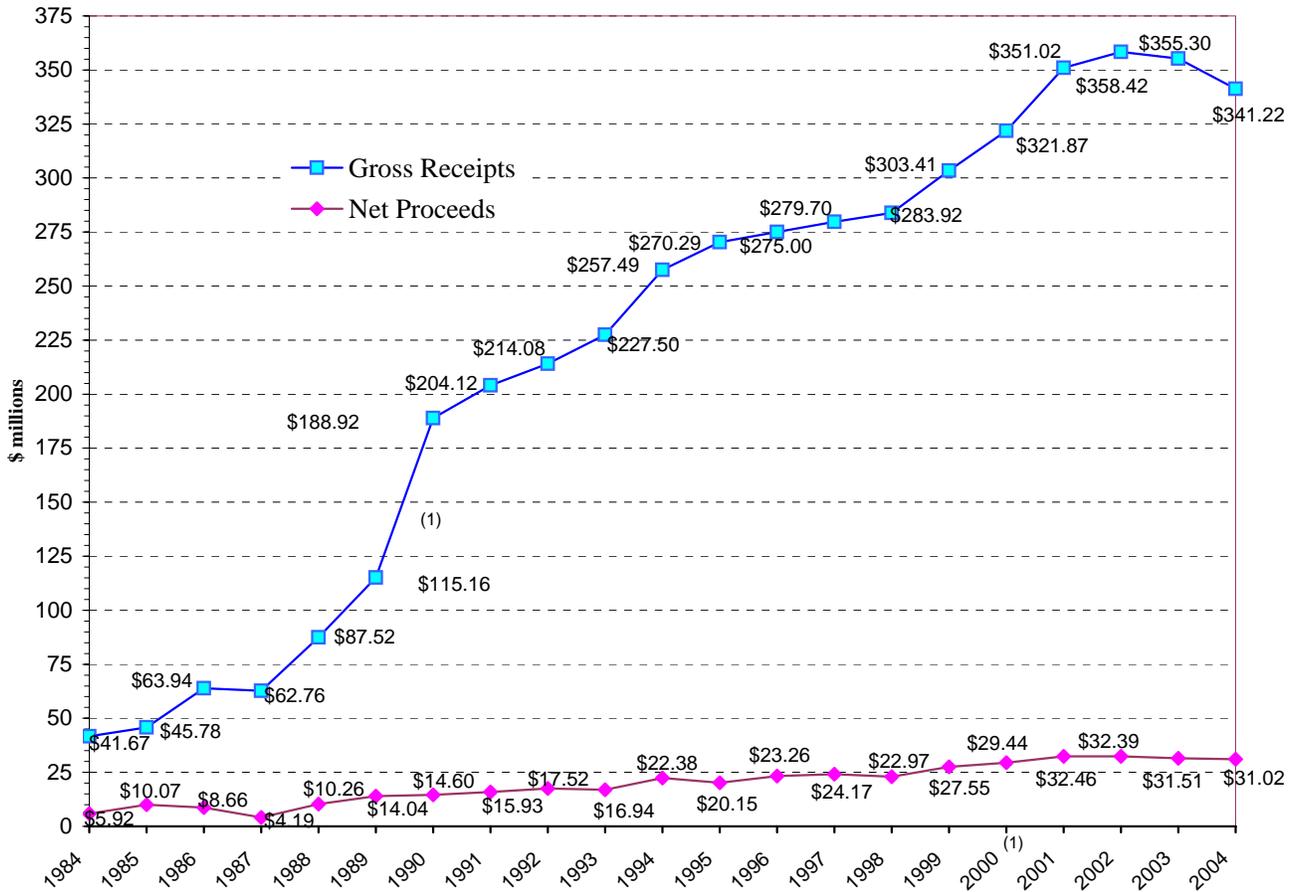
<u>City</u>	<u>Vendors</u>	<u>City</u>	<u>Vendors</u>
Anchor Point	-	Kiana	-
Anchorage	63	King Cove	-
Anderson	1	King Salmon	-
Auke Bay	-	Kodiak	3
Big Lake	2	Kotlik	-
Cantwell	1	Manley Hot Springs	2
Chitina	-	Moose Creek	-
Chugiak	3	Moose Pass	1
Clam Gulch	2	Naknek	1
Cooper Landing	-	Nenana	2
Copper Center	-	Nikiski	-
Cordova	7	Ninilchik	3
Craig	-	Nome	10
Delta Junction	3	North Pole	2
Denali	-	Palmer	4
Douglas	-	Petersburg	-
Dutch Harbor	-	Salcha	3
Eagle River	1	Seldovia	1
Ester	-	Seward	6
Elmendorf AFB	5	Sitka	5
Fairbanks	52	Soldotna	16
Gakona	-	Sterling	2
Galena	1	Talkeetna	4
Glennallen	6	Tanana	1
Haines	5	Tok	3
Healy	-	Two Rivers	1
Homer	11	Unalaska	11
Houston	1	Valdez	5
Juneau	11	Ward Cove	1
Kasilof	1	Wasilla	12
Kenai	14	Willow	4
Ketchikan	5	Wrangell	4
		Yakutat	2
Total Vendors in 2004		304	
Total Vendors in 2003		269	

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

<u>City</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>
Anchorage	6	5	5	6	6	9	8
Douglas	1						
Fairbanks	2	3	2	2	2	2	2
Homer	1	1	0	0	0	0	0
Juneau	2	3	4	4	3	3	5
Kenai	2	3	2	1	1	1	1
Kodiak	2	2	1	1	0	0	0
Soldotna	1	0	0	0	0	0	0
Total MBPs	17	17	14	14	12	15	16

Chart 4(a)
Annual Gross Receipts and Net Proceeds
1984-2004

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
1984 - 2004

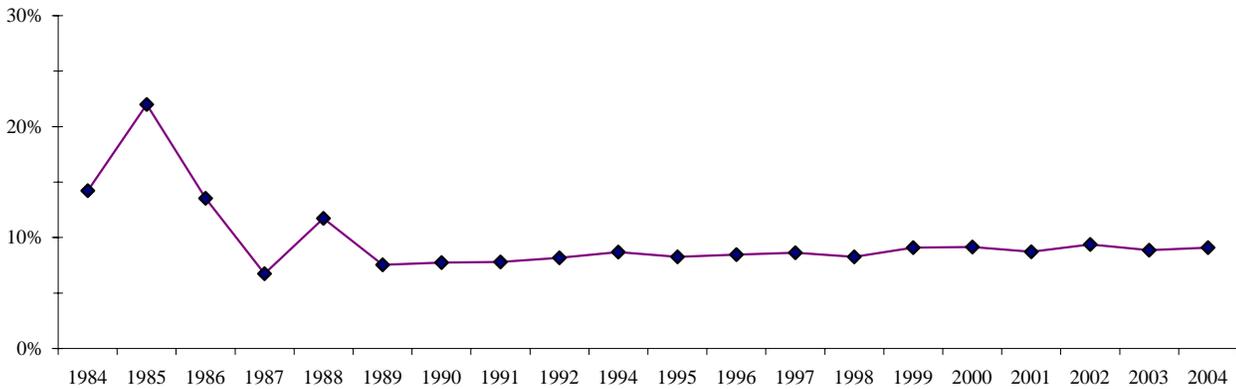
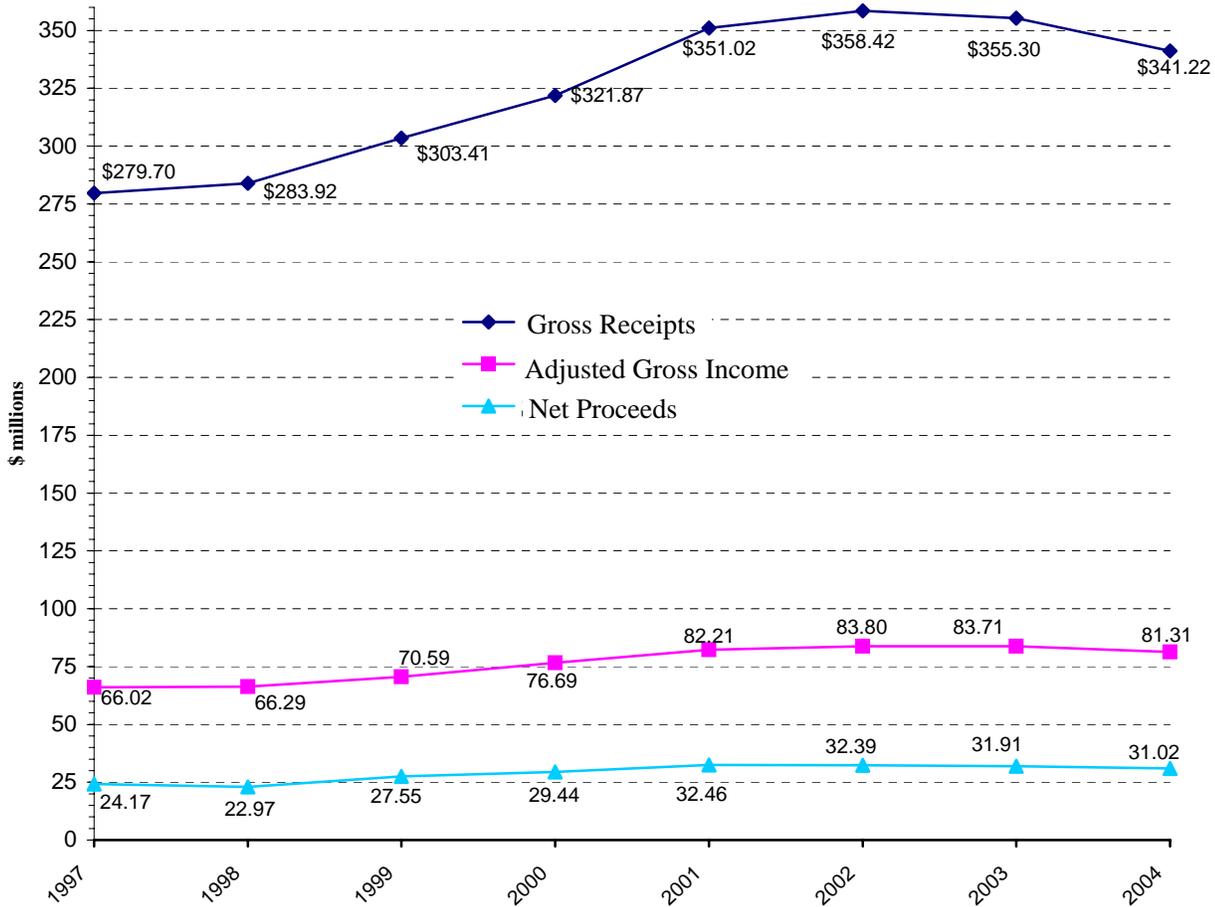


Chart 5(a)
Annual Adjusted Gross Income and Net Proceeds
1997 - 2004



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 - 2004

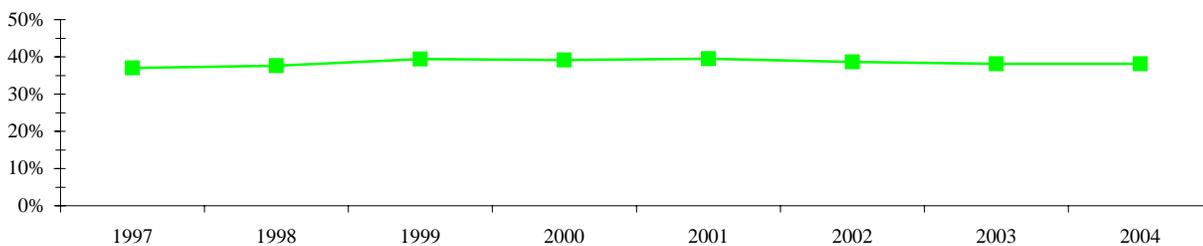


Chart 6
Annual Gross Receipts, Prizes, Expenses,
Taxes, and Net Proceeds

