

2011 PERMITTEE QUARTERLY REPORT INSTRUCTIONS
FORM No. 04-828

GENERAL INSTRUCTIONS

WHO MUST FILE

A municipality or a qualified organization issued a gaming permit must file a report for each calendar quarter in which it has gross receipts of \$50,000 or more from gaming activities. *Gross receipts* means receipts from the sale of shares, tickets or rights connected with the participation in any activity permitted under AS 05.15 or the right to participate, including admission, fee or charge, sale of equipment or supplies, and all other miscellaneous receipts, including Calcutta pools.

DUE DATE OF REPORT

The report must be filed by the 45th day following the end of each calendar quarter.

WHO MUST SIGN

The report must be signed, under penalty of unsworn falsification, by the Member in Charge and the president or treasurer of the organization. If your organization pays someone to prepare the report, the paid preparer must also sign and date the report and provide the name and address of their firm.

WHERE TO SEND THE REPORT

Mail the report to Tax Division, Gaming Unit, PO Box 110420, Juneau, Alaska 99811-0420, or deliver to the 11th Floor, State Office Building, in Juneau.

ACTIVITIES TO INCLUDE

This report covers all gaming activities. A separate report is no longer required for each activity. However, if you conducted a Calcutta pool, a separate report must be prepared and filed with this report, and the results of the Calcutta pool are to be included in the activities reported for the quarter in this report. If you need a Calcutta pool report (Form 04-810), you may find it on our web site at www.tax.alaska.gov. File the Calcutta pool report with the annual financial statement if you do not file a quarterly report for the quarter in which the Calcutta pool was held.

BINGO AND PULL-TAB REPORTING

Note that regulation requires accrual accounting to report bingo and pull-tab activity, but this requirement applies only to the annual financial statement. You need not convert from cash basis or modified cash basis for the quarterly reports. You may wish to consult an accounting professional to prepare your books before starting the annual financial statement, but there is no need to do so for this report. See 15 AAC 160.830.

SCHEDULE D: PULL-TAB REPORT ATTACHMENT

This schedule may be required; see instructions for Schedule D.

SPECIFIC INSTRUCTIONS

PERMIT YEAR AND PERMITTEE

Enter your organization information in the space provided.

ACTIVITIES CONDUCTED BY AN OPERATOR OR MULTIPLE-BENEFICIARY PERMITTEE (MBP)

Lines 1 through 6 apply only to gaming activities conducted for your organization by an operator or through membership in a multiple-beneficiary permittee (MBP).

One operator used for the entire period: Provide the name and license number of the operator and complete lines 1 through 6. This information is found on Form 04-843 Schedule A, Activity Report by Permittee, received from your operator. Enter the amounts from Column I, lines 1 through 6, of Schedule A, on lines 1 through 6.

More than one operator used during the period: Attach a separate schedule listing the name and license number of each operator used by your organization for gaming during the current period. Summarize Column I, lines 1 through 6, of Schedule A received from each operator who conducted gaming activity on behalf of your organization. A sample schedule is on Page 4 of these instructions. Enter the total amounts for gross receipts, taxes, prizes, etc. on lines 1

through 6 of *your organization's* quarterly report.

Multiple-Beneficiary Permittee Member:

Provide the name and permit number of the MBP and complete lines 1 through 6. The information is found on the Quarterly Multiple-Beneficiary Permittee Report, Form 04-867 Schedule A, Column I, lines 1 through 6, provided to your organization by the MBP.

ACTIVITIES CONDUCTED BY PERMITTEE AND VENDORS

If your organization conducted any of its own gaming activities, fill out lines 7 through 13. The amounts entered on these lines must be summarized from your records. The primary source of this information will be the deposits to your organization's checking account for gaming activities and the checks written from this account. *Pull-tab sales should be reported in the first column and all other activities in the second column.*

Do not duplicate deposits on net proceeds received from your organization's operator, if you contract with one, or distributed by your MBP, on lines 7 through 11. Operator and MBP receipts are included on lines 2, through 6.

SALES OF PULL-TABS AT VENDOR LOCATIONS

Include sales of pull-tabs at vendor locations on lines 7 through 13 with other self-directed pull-tab sales. Summarize pull-tab sales receipts and expenses paid for games sold at vendor locations with other gaming account deposits and checks.

GENERAL BOOKKEEPING INSTRUCTIONS (FOR ILLUSTRATION PURPOSES ONLY)

General instructions illustrating how to summarize your organization's gaming deposits and checks are on page 6. This is an example only. Your organization's worksheets will summarize the actual deposits of gaming receipts to the gaming account and payment of expenses with gaming account checks.

GAMING BANK ACCOUNT

All money collected or received from gaming activities shall be deposited into a separate bank account. Any cash prize of \$50 or more (from gaming activities other than bingo) requires the recipient to sign a receipt. All bingo prizes must be

received. All expenses related to gaming activities must be paid by check. No checks may be written for cash. Each check written on the gaming bank account requires two authorized signatures of members of the organization. All financial statements, books and records relating to gaming activity must be retained for three years from the later of the due date or filing date of the Annual Report based on those records.

No Electronic Funds Transfers should be made out of the Gaming Account except for payments made through the department's website for the Annual Permit fee or the additional 1% fee on the Annual Financial Statement and any interest or penalty that may be due. Also checks should not be written to the General Operating Account. (This is not a donation of net proceeds.)

ORGANIZE GAMING DEPOSITS - EXAMPLE

First, prepare a worksheet for gaming account deposits. List all the deposits in the left-hand columns of the worksheet (see example on Page 6). Identify each deposit by date and description. Next, enter the amount deposited (a second time) in the column for the type of activity to which it relates (i.e., bingo or pull-tabs).

For example, check book deposits for the third quarter total \$10,000, with \$1,000 from raffles deposited on July 6; \$1,500 deposited from pull-tabs on July 20, August 3, August 17, and September 8; and \$3,000 from bingo on September 15. The worksheet reflecting the deposits listed above is on Page 6 of these instructions. Your organization's worksheet will summarize the actual deposits to the gaming account for bingo, pull-tabs or other activities that your organization conducted.

Caution: If your organization entered into an agreement with a vendor to sell pull-tabs at their location and pay your organization at least 70% of ideal net, be sure to identify the deposit as income from vendor sales.

ORGANIZE CHECKS - EXAMPLE

1. On July 1, a check was written to Ace Management for \$500 to rent a hall for raffle sales and drawing.
2. On July 15, a check was written to PT Sales for \$200 to purchase a game (\$194) and to pay the 3% pull-tab tax (\$6).
3. On July 15, a check was written to ARC Company for \$185 to buy five pull-tab jars.

4. On July 16 a check was written to Bill's Printing for \$300 for 1,000 raffle tickets.
5. On July 20, a check was written to Ace Management for \$500 to rent a hall to sell pull-tabs.
6. On August 31, a check was written to Ace Management for \$500 to rent a hall for bingo.
7. On September 13, a check was written to Bingo Supply for \$800 to purchase bingo supplies.
8. On September 20, a check was written to Jim Smith for \$1,200 for accounting. He charged \$30 per hour and worked on the books for 40 hours (10 hours [\$300] for raffles, 10 hours [\$300] for bingo, and 20 hours [\$600] on pull-tabs).
9. On September 20, a check was written to John Brat for \$600 to clean the hall rented three times for raffles, bingo and pull-tab sales. He charged \$20 per hour and worked 30 hours with 5 hours for raffle sales (\$100), 15 hours for bingo (\$300) and 10 hours for pull-tabs (\$200).
10. On September 20, a check was written to the Daily News for \$300 to advertise the raffle, bingo and pull-tab games.

Equipment repairs
 Non-alcoholic refreshments
 Door prizes
 Equipment purchases
 Permit fees
 Supplies-Other
 Miscellaneous
 Building repairs/maintenance
 Building insurance

Specific instructions regarding some of these expenses and the requirement to allocate expenses not directly related to a single gaming activity can be found in the instructions for the Annual Financial Statements. Alaska laws also restrict the deduction of some payments. Please refer to the statutes and regulations.

A worksheet showing the entries for the checks written in the above example is included on Page 5 of these instructions. Your organization's worksheets will summarize the actual checks written from the gaming account for the gaming activities that your organization conducted.

Caution: If your organization entered into an agreement with a vendor to sell pull-tabs at their location and agreed to pay the vendor, be sure to identify the cost of pull-tab games and the pull-tab tax paid as vendor expenses.

Prepare a worksheet for checks written from the gaming account by listing information from each check written during the current quarter in the left-hand columns of the worksheet. Include the check number, the date the check was written, the person or business to whom the check was written, and the amount of the check on the worksheet.

The remaining columns will identify the type of expense. The illustration on Page 5 shows how to set up the worksheet. The following is a list of the types of expenses you may have:

Rental of facility
 Janitorial expense
 Utilities
 Contract services
 Insurance
 Professional services
 Accounting
 Wages
 Payroll taxes
 Pull-tab tax paid
 Printing tickets
 Cost of pull-tab games
 Bingo supplies
 Cost of bingo cards
 Advertising
 Postage/freight

Summary of Operator-Conducted Gaming For Quarter Ended: _____

The amounts below should be taken directly from Form 04-843 Schedule A, Column I, Activity Report By Permittee, received from each operator.

Operator 1		Operator 2		Total Amount to be Reported*
Name	License Number	Name	License Number	

Line 1. Gross Receipts

Line 2. Taxes

Line 3. Prizes

Line 4. Adjusted Gross Income

(Gross receipts less taxes and prizes)

Line 5. Game Related Expenses

Line 6. Net Proceeds

(Adjusted gross income less game-related expenses)

* The amounts in the Total column will be used on your quarterly report.

**SCHEDULE D:
PULL-TAB ATTACHMENT**

Who Must File. Any permittee required to file a quarterly report must file the Pull-Tab Attachment with the Quarterly Report if any pull-tab game in play during the quarter is complete [sold out].

Use this form to report **completed** pull-tab games **not previously included** on your organization's quarterly reports. *Use a separate attachment for games sold by your organization, a vendor, or an operator.* Use additional pages if more space is required.

Multiple-Beneficiary Permittee Member: If your organization participates in pull-tab gaming only through an MBP, do not complete Schedule D. It has been filed for your organization by the MBP.

General Information. Enter your organization's name and permit number in the spaces provided. Enter the name of your organization's operator for any pull-tab games the operator conducted on your behalf during the year.

License Number. Enter the license number of the distributor selling the game in this column.

State ID Stamp Label. Attach the pull-tab state ID stamp labels in this column. If the label is not available, write in the ID number and attach an explanation to the return.

Game Serial Number and Form Number. Enter the serial number and form number for each game in the space provided.

Gross Receipts, Prize Payout and Ideal Net. Enter the ideal gross receipts, ideal prize payout and ideal net in the applicable columns.

3% Tax. Enter the 3% tax paid when the game was purchased (by your organization or by an operator purchasing pull-tab games for your organization).

Date In/Date Out. Enter the dates the game was placed in play (date in) and completed (date out) in this column.