

STATE OF ALASKA
DEPARTMENT OF REVENUE
Tax Division
Gaming Group



Calendar Year 2008
ANNUAL REPORT OF GAMING GROUP OPERATIONS

On the internet at:
www.tax.alaska.gov

Sean Parnell
Governor

Bryan Butcher
Commissioner

2008

*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 2008*

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:

- ◆ Issues permits to municipalities, qualified organizations, and multiple-beneficiary partnerships.
- ◆ licenses all operators, distributors and manufacturers
- ◆ collects fees and taxes
- ◆ audits various permittees and licensees
- ◆ inspects gaming locations
- ◆ investigates complaints.

This report summarizes gaming financial activity for 2008, as reported by permittees and operators and filed as of August 25, 2010.

Gaming in Alaska has many variations in the types of gaming that businesses and nonprofit organizations conduct. Following are key terms used throughout this report.

- ◆ **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.
- ◆ An **advisory notice** is issued to a permittee, licensee, or registered vendor if an incident occurs or a defect is identified that could result in a violation of gaming laws or regulations. An advisory notice may not constitute grounds for administrative or court action against a permittee, licensee or registered vendor, but may constitute grounds for issuance of a notice of violation, if the incident or defect continues uncorrected.
- ◆ A **distributor** is a business located in the state that is licensed to distribute pull-tabs to permittees and to operators.
- ◆ A **permittee** is a municipality or a qualified nonprofit organization that holds a valid permit to conduct gaming activities.
- ◆ **Gross receipts** is the amount collected for all chances to win a prize in a gaming activity and, for pull-tabs, 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).
- ◆ 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.
- ◆ 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.
- ◆ **Net proceeds** means adjusted gross income less gaming expenses. Gaming expenses include the 3% pull-tab tax, permit fees, the 1% additional fee on permittee net proceeds, and other reasonable and necessary expenses.
- ◆ A **notice of violation** is issued to a permittee, licensee, or registered vendor if the Department has reason to believe that a violation of gaming laws has occurred or might occur. The Department will

Introduction (continued)

place a notice of violation and any written response in the permanent record of the Department for the permittee, licensee, or registered vendor to whom the notice was issued.

- ◆ 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 **vendor** is a business that holds a qualifying beverage dispensary or package liquor store license and has obtained a vendor authorization from the Division to sell pull-tabs on behalf of a permittee.

Gaming in Alaska is big business. In calendar year 2008, the total amount spent on gaming activities was nearly \$395 million. After prizes and taxes were paid, approximately \$93 million was available for gaming expenses and net proceeds to municipalities and qualified organizations. Net proceeds were approximately \$37.5 million.

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 to qualify for a gaming permit.

The Department of Revenue may only issue a permit to a municipality or qualified organization. The 15 types of qualified organization eligible to game in Alaska are:

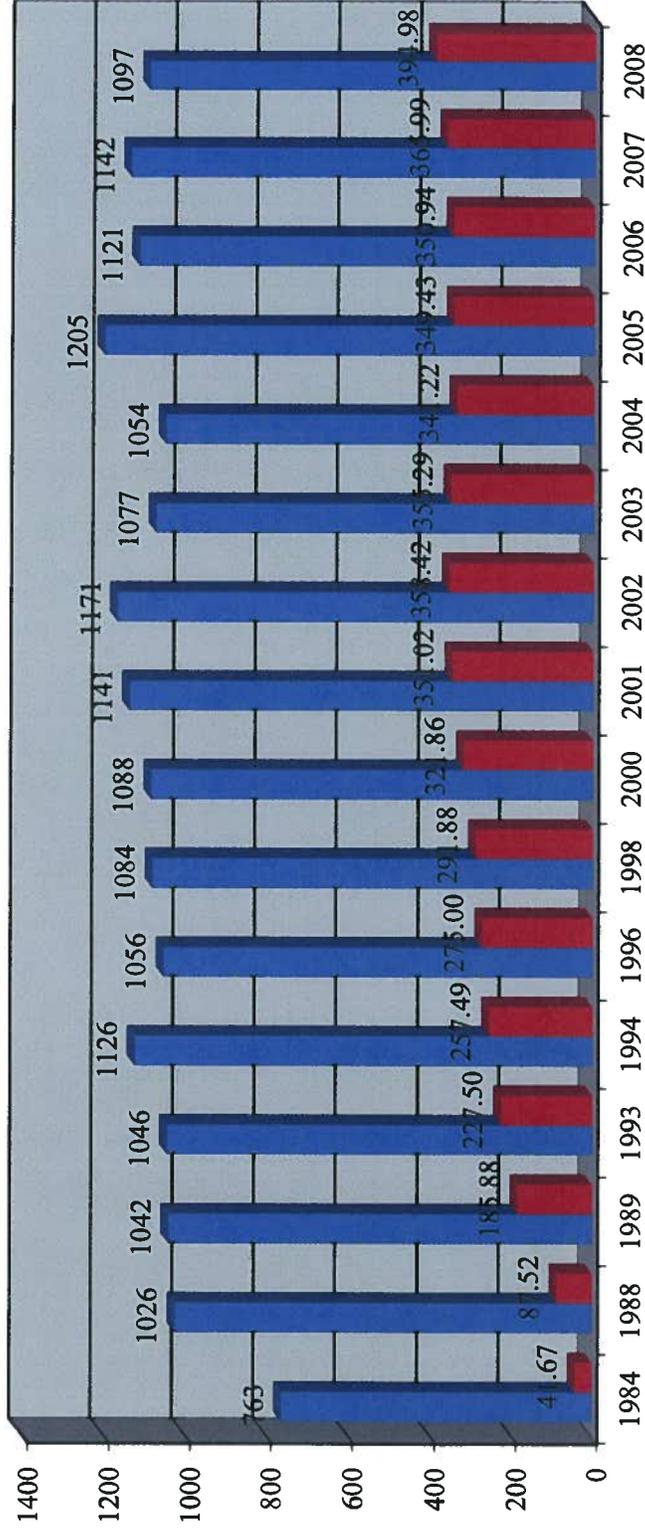
- ◆ charitable organization
- ◆ civic or service organization
- ◆ dog mushers' association
- ◆ educational organization
- ◆ fishing derby association
- ◆ fraternal organization
- ◆ labor organization
- ◆ municipality
- ◆ nonprofit trade association
- ◆ outboard motor association
- ◆ police or fire department
- ◆ political organization
- ◆ religious organization
- ◆ veterans organization
- ◆ IRA/Native village

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.

Gaming History and Background

Number of Permittees and Gross Receipts in Millions



1984
 · Pull-tabs authorized by regulation.
 · Operators legalized.
 · Pull-tabs legalized by Statute increased.
 · Prize limits increased.

1993
 · Statutory changes allow Multiple-beneficiary permits and vendors, limit pull-tab expenses to 70% of adjusted gross income and other

1994-1996
 · Regulations enjoined in 1994; adopted in 1996.
 · MBP Compliance project initiated.
 · Attorney General filed Griffin lawsuit.

1997
 · Gaming budget cut by one-third.

1998
 · Supreme Ct. granted state's petition for review of Superior Court order in Griffin case.

2001
 · Supreme Ct. decision favors state in Griffin case.
 · New regulations proposed and adopted.

2002
 · Griffin case settles. Griffins to pay \$400,000 to permittees.

2003
 · New regulations effective January 1, 2003.
 · Stewart case settles. Stewart pays \$200,000 to permittees.

2004
 · Animal classic regulations effective in December.

2005
 · New regulations effective September 3, 2005.

2006
 · House Task Force recommended there be no Gaming Commission.
 · Excess Prize & Expense Project initiated.

2007-2008
 · Wright case settled. Wright banned from gaming in Alaska.
 · Permittees received \$311,415 during 2007.
 · Non-bingo prize limit increased to \$2,000,000.

2008 Gaming Industry Facts and Trends

The Division presents data in this report based upon permittee and operator annual reports filed for the year ending December 31, 2008.

- ◆ Gross receipts is the amount collected for all chances to win a prize in a gaming activity and, for pull-tabs, 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, the 1% additional fee on permittee net proceeds (profits), and other reasonable and necessary expenses.
- ◆ The Division based the 2008 calendar year permittee data on 838 annual financial statements filed as of August 25, 2010. There are 94 annual reports outstanding.
- ◆ The division issued 15 MBP permits in 2007 and 15 in 2008. All MBPs filed their reports.
- ◆ The division issued 30 operator licenses in 2007 and all 30 filed their reports. In 2008 the division issued 29 operators licenses and 27 of them filed their reports.
- ◆ Fees and taxes collected by the division:

	FY-09	FY-08
3% Tax on Pull-Tabs:	\$2,119,313	\$2,219,335
1% Additional Fee on Permittees' Gaming Profits:	339,885	351,996
Permit and License Fees:	129,930	140,073
	\$2,589,128	\$2,711,404
- ◆ Distributors reported \$2,180,691 of pull-tab tax paid for calendar year 2008.

2008 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 the minimum financial benefit from their gaming activities. The Division, with help from the Department of Law, has committed substantial resources to bring the activities of Multiple-beneficiary Permit holders [MBPs] into compliance.

The first step in the MBP program was to ensure that MBPs complied with minimum distribution requirements. The Division increased payment compliance, so there were no MBP deficits in 2001. The second step focused on MBP compliance with expense limitations. Continued enforcement of expense limitations in 2001 and 2002 resulted in one MBP entering an agreement to dedicate a percentage of net proceeds to the Alaska Children's Trust and another voluntarily closing its business in November 2003.

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, but failed to come into compliance with expense limitations for pull-tabs during 2004. Because of mitigating circumstances, the Division entered an agreement with the MBP which allowed it to continue gaming during 2005, with the understanding that it would voluntarily dissolve, and the members would not apply for 2006 gaming permits, if the MBP were still out of compliance at the end of 2005. The MBP met the expense limitations and distribution requirement in 2005 and 2006. The other MBP failed to meet the expense limitation in 2004 and did not apply for a 2005 permit.

MBP compliance efforts continued in 2004 and 2005. Two MBPs were out of compliance in 2004, and both voluntarily discontinued gaming in 2005. Another MBP misallocated a substantial amount of net proceeds among the members and agreed to redistribute net proceeds during calendar years 2005-2008. The MBP met the requirements of the agreement for 2005 and 2006, and we expect it to remain in compliance. In 2005, one MBP failed to meet bingo prize limitations and net proceeds payments. The MBP agreed to discontinue bingo operations in 2006, and to reduce future expense below the maximum, or the MBP and members would voluntarily discontinue all gaming. The MBP has controlled expenses and has a current permit. Two MBPs were out of compliance in 2007. One of these MBPs voluntarily discontinued its activities in November of 2007. The other MBP hired forensic auditors to review their operations, and replaced its managers.

During 2006, the Division initiated a program to bring self-directed permittees into compliance with prize and expense limitations. The Division entered into prize limitation compliance agreements with 25 permittees that exceeded the limits in 2003 and 2004, and in some cases, 2005. The Division began enforcement of expense limitations in late 2006. During 2007, the program was expanded to include the use of net proceeds, the method of pull-tab accounting and reporting for bingo and activities, and various other reporting requirements for those permittees who were out of compliance with the expense limits. Thirty-three letters were sent out to permittees that were out of compliance with expense limitations in 2003 and 2004; some of these were also out of compliance in 2005 and/or 2006. The permittees were required to comply with the expense limitations and reporting requirements in 2007 to avoid suspension or revocation of their permits. Five permittees received Notices of Revocation in 2008. One did not appeal and the revocation went into effect on June 28, 2008; revocations of the remaining four permittees were in appeals at the end of 2008. Action against another permittee has been combined with a revocation sought by the Investigation Group of the Tax Division. Actions related to two permittees are being delayed, subject to other issues or complaints. Three permittees either discontinued the non-compliant activity or did not renew their permits. One of these organizations is no longer in existence. Some of the remaining permittees will be subject to suspension or revocation. The program will continue in 2009.

In 2006, the Division expanded its Online Permit And License system (OPAL) to include Gaming. 349 permittees applied online for 2007 and 432 for 2008.

Court Proceedings

Downtown Bicycle Rental, Inc. and Peter Roberts vs. State of Alaska. Alaska Supreme Court Number 12180. 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 had 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 the case because DBRI was not represented by a licensed attorney, as required by law. After the Superior Court granted the State's motion, Mr. Roberts refiled the suit without naming DBRI as a party. The State filed a motion to dismiss, which was partially granted. The State then filed a motion for summary judgment, which was granted. Mr. Roberts appealed the case to the Alaska Supreme Court which affirmed the decision of the Superior Court in June of 2007. Mr. Roberts then appealed to the United States Supreme Court which denied his petition for certiorari in January of 2008.

State of Alaska vs. Lloyd 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 that Mr. Reese owes more than \$500,000, plus interest. The case continued through 2005 and was finally resolved in 2006, with a settlement for \$112,500 [including his bond] that is secured by a confession of judgment from Mr. Reese for the entire \$500,000 if he defaults on the terms of the settlement. The agreement results in a lifetime ban of Mr. Reese from applying for a license in the state of Alaska. Reese paid the initial sum of \$100,000 in September of 2006. Mr. Reese was out of compliance at the end of 2008.

Alaska Native Brotherhood Camp 2 vs. State of Alaska. ANB requested the Department of Revenue to authorize use of the Bingo Time System© in its bingo games. The Department refused because use of the system would violate gaming statutes and regulations, and permit ANB to offer a game that did not meet the definition of "bingo." ANB appealed this refusal. The case was appealed to the Superior Court, which affirmed the Department's decision to deny ANB's application to use the Bingo Time System to conduct bingo. ANB's time to appeal the February 20, 2008, Superior Court decision has expired.

State of Alaska vs. George Wright. George Wright, a licensed operator in Juneau, was issued notices of violation and immediate revocation for failure to pay the minimum amount of net proceeds for 2005 and failure to pay net proceeds for the first quarter of 2006. The notices were issued on April 7, 2006. Mr. Wright's bond was seized in November 2006, and was applied to the amount he owed to the authorizing permittees. The Department filed suit against Mr. Wright to recover the additional net proceeds owed to the authorizing permittees. The suit was settled in a manner to assure repayment of all monies, plus interest due to affected permittees, and results in a lifetime ban of Mr. Wright from participation in charitable gaming in the State. The total amount collected from the settlement on behalf of the permittees at December 31, 2007 was \$311,415. Payments continued in 2008. By the end of 2008, \$511,410 was collected.

2008 and 2009 Regulatory Actions

Thomas Worden, a licensed operator, was issued a Notice of Violation on February 27, 2006, for failure to pay minimum net proceeds to authorizing permittees for 2004 and failure to pay any net proceeds at all to authorizing permittees for the first quarter of 2005. For continued failure to respond to Notices of Violation and a May 2006 Notice of Suspension for failures to report to permittees, to pay net proceeds to permittees, and to respond to the Department, the license was revoked on June 2, 2006. The 2005 annual report was filed late and the 2005 CPA review is still delinquent. Permittees will be paid from the operator bond.

City of Eek. As part of the excess expense program started in 2006, the City of Eek was issued a Notice of Violation for multiple gaming violations from 2003 through 2006. The City was later issued A Notice of Revocation for failing to meet reporting requirements for its 2006 Amended Annual Financial Statement and for failing to file its 2007 Annual Financial Statement. The permit was revoked on June 28, 2008.

Fraternal Order of Eagles Aerie 1037. As part of the excess expense program started in 2006, the Fraternal Order of Eagles Aerie 1037 was issued a Notice of Violation for multiple gaming violations from 2003 through 2006. The Eagles were later issued a Notice of Revocation for failure to file an amended 2006 Annual Financial Statement and for failure to report its 2007 gaming activities in compliance with statutes and regulations. The revocation, under appeal at the end of 2008, was upheld and became effective on January 15, 2009.

Veterans of Foreign Wars Post #9981. As part of the excess expense program started in 2006, Veterans of Foreign Wars Post #9981 was issued a Notice of Violation for multiple gaming violations from 2003 through 2006. The Post was issued a Notice of Revocation for failure to meet reporting requirements in its amended 2006 Annual Financial Statement and for failure to meet expense limitations and reporting requirements for 2007. The revocation, under appeal at the end of 2008, was upheld and became effective on June 29, 2009.

During the period of revocation, the Post started a raffle. The raffle was terminated and the purchase price of tickets sold was returned to the participants.

Alaska Native Brotherhood Grand Camp. As part of the excess expense program started in 2006, Alaska Native Brotherhood Grand Camp was issued a Notice of Violation for multiple gaming violations from 2003 through 2006. ANB Grand Camp was issued a Notice of Revocation for failure to meet reporting requirements in its 2006 Annual Financial Statement and for failure to meet expense limitations and reporting requirements for 2007. ANB Grand Camp submitted an untimely appeal and the revocation became effective on January 2, 2009.

Shishmaref Emergency Services. As part of the excess expense program started in 2006, Shishmaref Emergency Services was issued a Notice of Violation for multiple gaming violations from 2003 through 2006. Shishmaref Emergency Services was issued a Notice of Revocation for failure file an amended 2006 Annual Financial Statement and for failure to file a 2007 Annual Financial Statement. The revocation, under appeal at the end of 2008, was upheld and became effective on October 29, 2009.

Brevig Mission Traditional Council. As part of the excess expense program started in 2006, Brevig Mission Traditional Council was issued a Notice of Violation for multiple gaming violations from 2003 through 2006. Brevig Mission Traditional Council was issued a Notice of Suspension for failure to file an amended 2006 Annual Financial Statement, for failure to report bingo and pull-tabs using the accrual method of reporting and for failure to correct other reporting errors on its 2007 and 2008 Annual Financial Statements. The ten-month suspension was under appeal at the end of 2009.

Free Masons-Mt. Juneau Gastineau Lodge. The Department received information that the lodge was conducting a raffle without a permit. A Notice of Violation was issued on May 7, 2008 and the Lodge's application for a raffle permit was denied for a period of three months.

Anchorage Symphony Orchestra. The Department received information that Anchorage Symphony Orchestra used electronic mail to advertise a raffle in violation of 15 AAC 160.945(c)(1). A Notice of Violation was issued on September 3, 2008.

2008 and 2009 Regulatory Actions

City of Kivalina. Investigation of a complaint revealed that City employees and direct family members were allowed to play pull-tabs using insider information. The City also conducted gaming activities while its permit was suspended and failed to comply with other regulations. A Notice of Revocation was issued in October 2008. The revocation was upheld on appeal and became effective on October 29, 2009.

John Perry, Operator. A Notice of Violation and a Notice of Revocation were issued to the operator on September 25, 2009 for underpaying net proceeds to authorizing permittees in 2008. The Operator appealed the revocation; the appeal upheld a one-year revocation effective October 19, 2009. The operator is restricted from applying for another license for a period of five years.

City of Nightmute. An investigation determined that the City of Nightmute exceeded expense limits for bingo and pull-tabs, gave inside information to family members, allowed sale of pull-tabs to individuals restricted from playing pull-tabs at their location, and frequently exceeded the monthly limit for bingo sessions. Notices of Violation and Suspension were issued in October, 2009. The 45-day suspension was not appealed and became effective on Nov. 5, 2009. The suspension required the City to meet specified conditions prior to resumption of gaming.

Chena Bingo. An inspection of the premises revealed that the permittee was drawing 50 bingo balls prior to the session, a form of bingo not allowed in Alaska. The department issued a Notice of Violation on October 26, 2009.

Bill McHenry, Operator. An employee of the Whaler bar, a gaming location of the operator, sold pull-tabs to a minor in September 2009, and again in October 2009. A Notice of Violation was issued for the illegal sale in September. Notices of Violation and Suspension were issued for the October violation. The suspension was under appeal at the end of 2009.

Regulation Project and Other Developments

Regulation Projects

A regulation project, started in the summer of 2007, culminated in changes that became effective June 22, 2008. This project clarified (1) application procedures for permittees and for operator and distributor licenses, and (2) rules for coin boards, raffle ticket serial numbers, and the sale of bingo paper. Purchase inducement programs, in which a permittee or licensee agrees to buy pull-tabs exclusively from one distributor in exchange for some benefit, were prohibited, and provision of point of sale systems was limited. Members in charge, managers of gaming and operators are required to agree to a criminal history check, and the Department may require fingerprints from any of these individuals. The minimum age for a member in charge is 21 years old.

Other Developments

With new investigative positions authorized for tobacco enforcement, the Department formed a new Investigation Group in 2005. The Group is staffed with a Chief Investigator and four investigators, and investigates tobacco and gaming cases, as well as several other excise tax areas.

In 2007, Investigation had 780 gaming activities, including 171 gaming facility inspections, and 750 excise tax activities, throughout the state. Investigations continued in 2008. The investigators also help to educate the the public, licensees, permittees and businesses on gaming and tobacco statutes and regulations.

During 2009, investigators initiated action in two additional areas: (1) criminal background checks for members in charge and managers of gaming and (2) checking for underage pull-tab sales. Background checks resulted in replacement of six individuals holding these positions. Underage pull-tab sales inspections were conducted in 87 locations in the Anchorage bowl. Notices of Violation were issued to 28 locations for underage sales. One location was suspended for 30 days after its second violation. Compliance rates improved with subsequent inspections.

Key Contacts

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Department of Revenue's Tax Division Organization Chart

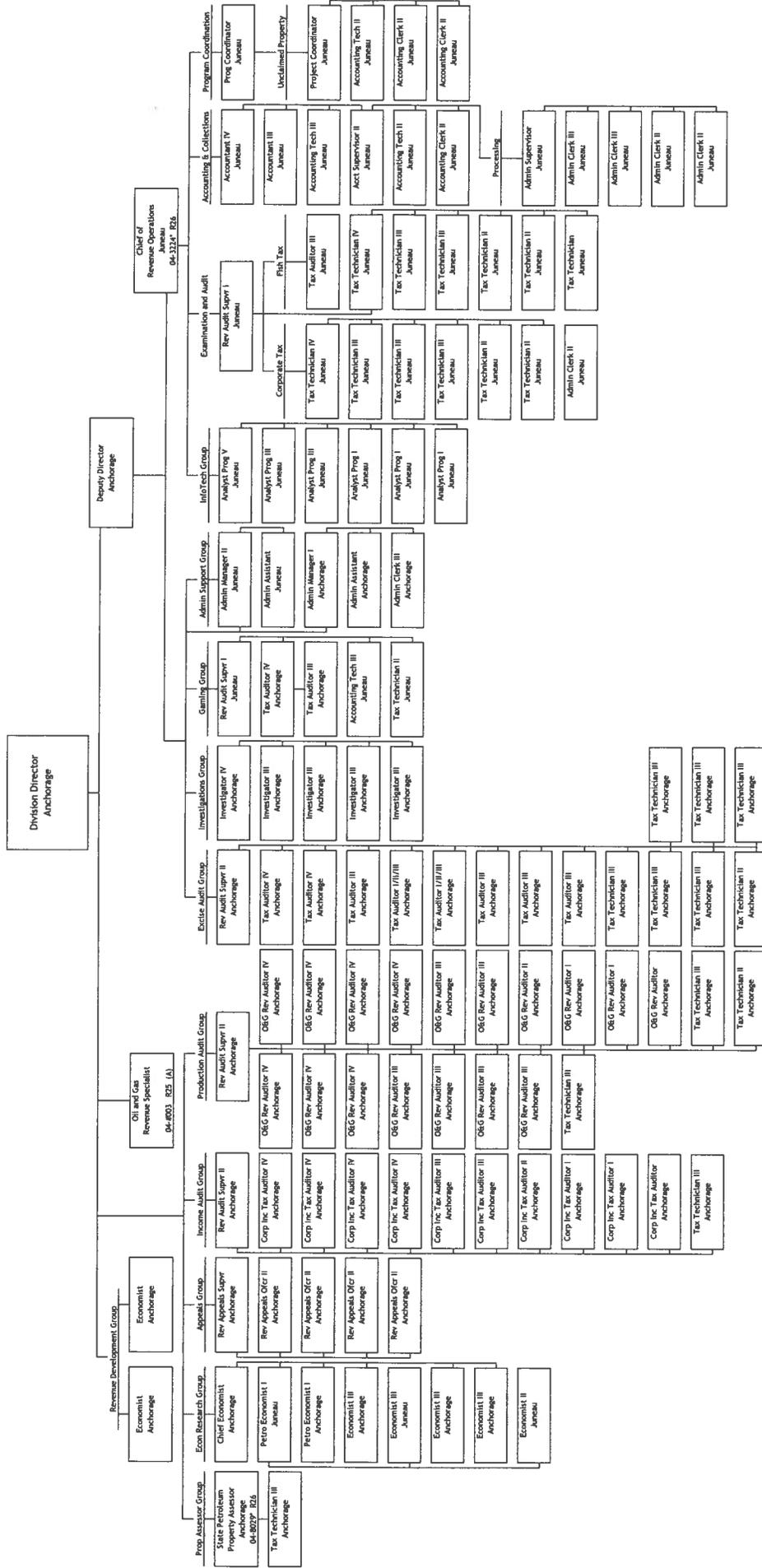


Table 1
Schedule of Gaming Activity

	2008 ⁽¹⁾		2007 ⁽²⁾	
	Amount	% Gross Receipts	Amount	% Gross Receipts
Gross Receipts	\$ 394,989,763		\$ 365,988,666	
Taxes ⁽⁴⁾	1,128,289	0.29%	1,064,006	0.29%
Prizes	300,817,089	76.16%	279,558,950	76.38%
Adjusted Gross Income	93,044,385		85,365,710	
Expenses	55,508,059	14.05%	51,956,817	14.20%
Net Proceeds	37,536,326	9.50%	\$ 33,408,893	9.13%

Breakdown of Expenses⁽³⁾

	2008	2007
Rental of Facility	\$ 5,169,403	\$ 4,762,528
Other Facility Costs	2,933,333	2,509,459
Contract / Pro. Services	1,431,246	1,534,476
Accounting	1,199,258	1,187,505
Wages	15,963,685	14,808,601
Payroll Taxes	2,064,898	1,960,994
Operator Fee ⁽⁵⁾	4,232,088	4,168,792
Vendor Compensation	2,451,046	2,650,310
Cost of Games	10,672,229	9,620,874
Pull-Tab Tax Paid ⁽⁶⁾	1,966,489	1,885,781
Advertising	294,146	411,326
Equipment Purchases	623,006	473,073
Depreciation	51,917	36,308
Other Expenses ⁽⁷⁾	5,027,014	4,670,497
Door Prizes	1,428,301	1,276,293
Total Expenses	\$ 55,508,059	\$ 51,956,817

(1) Based on 838 permittee annual reports, 27 operator annual reports, 15 MBP annual reports filed with the division as of 8/25/2010.

(2) Based on 623 permittee annual reports (originally reported as 1,150), 30 operator annual reports, 15 MBP annual reports filed with the division.

(3) Total Expenses as reported, 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.

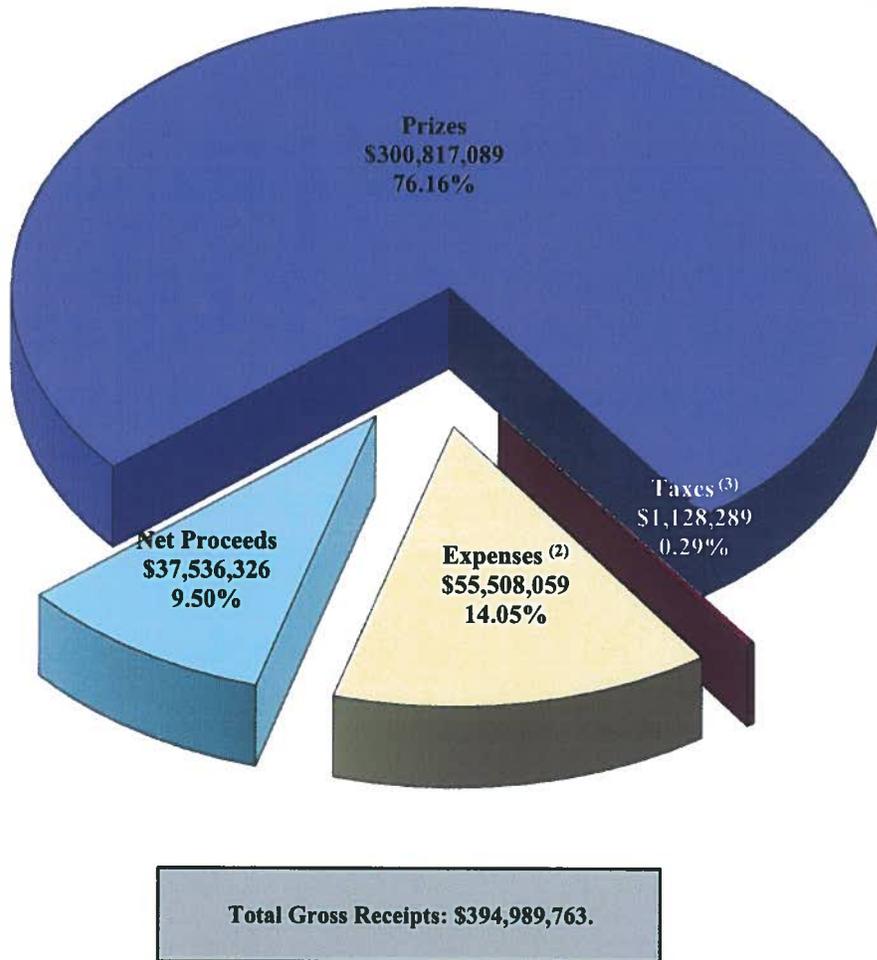
(5) Reported Operator fees have been reduced to reflect actual operator payments to permittees.

(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.

Table 2

**2008 Gross Receipts Distribution ⁽¹⁾
Percentage of Gross Receipts**



(1) Based on 838 permittee annual reports, 27 operator annual reports, 15 MBP annual reports filed with the division as of 8/25/2010.

(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.

Tables 3(a) & (b)

3(a) 2008 Activity by Business Classification ⁽¹⁾

	Permittees		Vendors		Operators ⁽³⁾		MBPs		Total	
	Amount	% Gross Receipts	Amount	% Gross Receipts	Amount	% Gross Receipts	Amount	% Gross Receipts	Amount	% Gross Receipts
Gross Receipts	\$ 185,285,824		\$ 38,186,770		\$ 92,009,013		\$ 79,508,156		\$ 394,989,763	
Taxes ⁽⁴⁾	645,781	0.35%	109,236	0.27%	323,448	0.35%	49,824	0.06%	1,128,289	0.29%
Prizes	139,855,142	75.48%	30,251,313	79.34%	71,088,859	77.26%	59,621,775	74.83%	300,817,089	76.38%
Adjusted Gross Income	44,784,901		7,826,221		20,596,706		19,836,557		93,044,385	
Expenses	24,766,889	13.37%	4,128,669	10.88%	15,053,590	16.36%	11,558,911	14.59%	55,508,059	14.20%
Net Proceeds	\$ 20,018,012	10.80%	\$ 3,697,552	9.51%	\$ 5,543,116	6.03%	\$ 8,277,646	10.52%	\$ 37,536,326	9.13%
		100.00%		100.00%		100.00%		100.00%		100.00%

3(b) 2007 Activity by Business Classification ⁽²⁾

	Permittees		Vendors		Operators ⁽³⁾		MBPs		Total	
	Amount	% Gross Receipts	Amount	% Gross Receipts	Amount	% Gross Receipts	Amount	% Gross Receipts	Amount	% Gross Receipts
Gross Receipts	\$ 165,070,721		\$ 41,010,288		\$ 88,005,364		\$ 71,902,293		\$ 365,988,666	
Taxes ⁽⁴⁾	473,028	0.29%	235,583	0.57%	323,215	0.36%	32,180	0.04%	1,064,006	0.29%
Prizes	125,063,037	75.76%	32,345,651	78.87%	67,914,491	77.17%	54,235,771	75.43%	279,558,950	76.38%
Adjusted Gross Income	39,534,656		8,429,054		19,767,658		17,634,342		85,365,710	
Expenses	22,477,773	13.62%	4,427,685	10.80%	14,438,231	16.41%	10,613,128	14.76%	51,956,817	14.20%
Net Proceeds	\$ 17,056,883	10.33%	\$ 4,001,369	9.76%	\$ 5,329,427	6.06%	\$ 7,021,214	9.77%	\$ 33,408,893	9.13%
		100.00%		100.00%		100.00%		100.00%		100.00%

⁽¹⁾ Based on 838 permittee annual reports, 27 operator annual reports, 15 MBP annual reports filed with the division as of 8/25/2010.

⁽²⁾ Based on 623 permittee annual reports (originally reported as 1,150), 30 operator annual reports, 15 MBP annual reports filed with the division.

⁽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 4
2008 Expenses by Business Classification ⁽¹⁾

	Permittees	Vendors	Operators	MBPs	Totals
Rental of Facility	\$ 2,126,450	\$	\$ 1,677,295	\$ 1,365,658	\$ 5,169,403
Other Facility Costs	1,707,884		493,763	731,686	\$ 2,933,333
Contract / Pro. Services	602,732		566,079	262,435	\$ 1,431,246
Accounting	820,326		198,958	179,974	\$ 1,199,258
Wages	8,402,869		3,632,248	3,928,568	\$ 15,963,685
Payroll Taxes	1,284,417		426,110	354,371	\$ 2,064,898
Operator Fee ⁽²⁾	-		4,232,088	-	\$ 4,232,088
Vendor Compensation	-	2,325,204	-	125,842	\$ 2,451,046
Cost of Games	4,860,877	1,191,547	2,412,434	2,207,371	\$ 10,672,229
Pull-Tab Tax Paid	865,529	234,375	514,077	352,508	\$ 1,966,489
Depreciation	51,917				\$ 51,917
Advertising	175,041		33,745	85,360	\$ 294,146
Equipment Purchases	450,562		4,785	167,659	\$ 623,006
Other Expenses ⁽³⁾	2,882,278	377,543	585,377	1,181,816	\$ 5,027,014
Door Prizes	536,007		276,631	615,663	\$ 1,428,301
Total	\$ 24,766,889	\$ 4,128,669	\$ 15,053,590	\$ 11,558,911	\$ 55,508,059

(1) Based on 838 permittee annual reports, 27 operator annual reports, 15 MBP annual reports filed with the division as of 8/25/2010.

(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, permittee fees, printing, shipping, supplies, travel and miscellaneous.

Tables 5(a) & (b)

5(a) Activity by Game Type ⁽¹⁾

Game Type	Gross Receipts	(2) Taxes	Prizes	Adjusted Gross Income	(3) Expenses	Net Proceeds
Pull tabs	\$ 311,194,673	\$ 1,067,064	\$ 245,851,547	\$ 64,276,062	\$ 37,577,681	\$ 26,698,381
Bingo	70,637,260	46,378	49,323,255	21,267,627	15,188,176	6,079,451
Raffle or Lottery	10,463,784	14,546	3,890,087	6,559,151	879,729	5,679,422
Fish Derby	1,020,275	301	657,849	362,125	281,270	80,855
Ice Classic	621,603	0	310,608	310,995	289,566	21,429
Contest of Skill	548,493	0	494,234	54,259	1,141,215	(1,086,956)
Calcutta Pool	116,731	0	75,147	41,584	6,783	34,801
Animal Classic	296,619	0	186,865	109,754	88,066	21,688
Snow Machine Classic	2,400	0	1,200	1,200	0	1,200
Dog Musher Contest	21,628	0	19,338	2,290	25	2,265
Race Classic	64,138	0	5,745	58,393	53,390	5,003
Canned Salmon Classic	1,214	0	1,214	0	2,158	(2,158)
Sale of Equipment	0	0	0	0	0	0
Salmon Classic	0	0	0	0	0	0
Rain Classic	945	0	0	945	0	945
Goose Classic	0	0	0	0	0	0
Deep Freeze Classic	0	0	0	0	0	0
Total	\$ 394,989,763	\$ 1,128,289	\$ 300,817,089	\$ 93,044,385	\$ 55,508,059	\$ 37,536,326

5(b) Activity by Business Classification (Pull-tabs, Bingo and Raffle or Lottery) ⁽¹⁾

Pull-Tabs						
Permittee	\$ 144,240,990	\$ 584,556	\$ 114,288,179	\$ 29,368,255	\$ 16,354,278	\$ 13,013,977
MBP	50,051,748	49,824	39,551,804	10,450,120	5,679,007	4,771,113
Vendor	40,020,981	109,236	31,750,753	8,160,992	4,353,965	3,807,027
Operator ⁽⁴⁾	76,880,954	323,448	60,260,811	16,296,695	11,190,431	5,106,264
Total	\$ 311,194,673	\$ 1,067,064	\$ 245,851,547	\$ 64,276,062	\$ 37,577,681	\$ 26,698,381
Bingo						
Permittee	\$ 28,615,999	\$ 46,378	\$ 20,380,347	\$ 8,189,274	\$ 5,898,887	\$ 2,290,387
MBP	27,585,489	0	18,553,533	9,031,956	5,653,630	3,378,326
Operator ⁽⁴⁾	14,435,772	0	10,389,375	4,046,397	3,635,659	410,738
Total	\$ 70,637,260	\$ 46,378	\$ 49,323,255	\$ 21,267,627	\$ 15,188,176	\$ 6,079,451
Raffles and Lotteries						
Permittee	10,141,001	\$ 14,546	\$ 3,730,051	\$ 6,396,404	\$ 750,113	\$ 5,646,291
MBP	36,708	0	16,998	19,710	978	18,732
Operator ⁽⁴⁾	286,075	0	143,038	143,037	128,638	14,399
Total	\$ 10,463,784	\$ 14,546	\$ 3,890,087	\$ 6,559,151	\$ 879,729	\$ 5,679,422

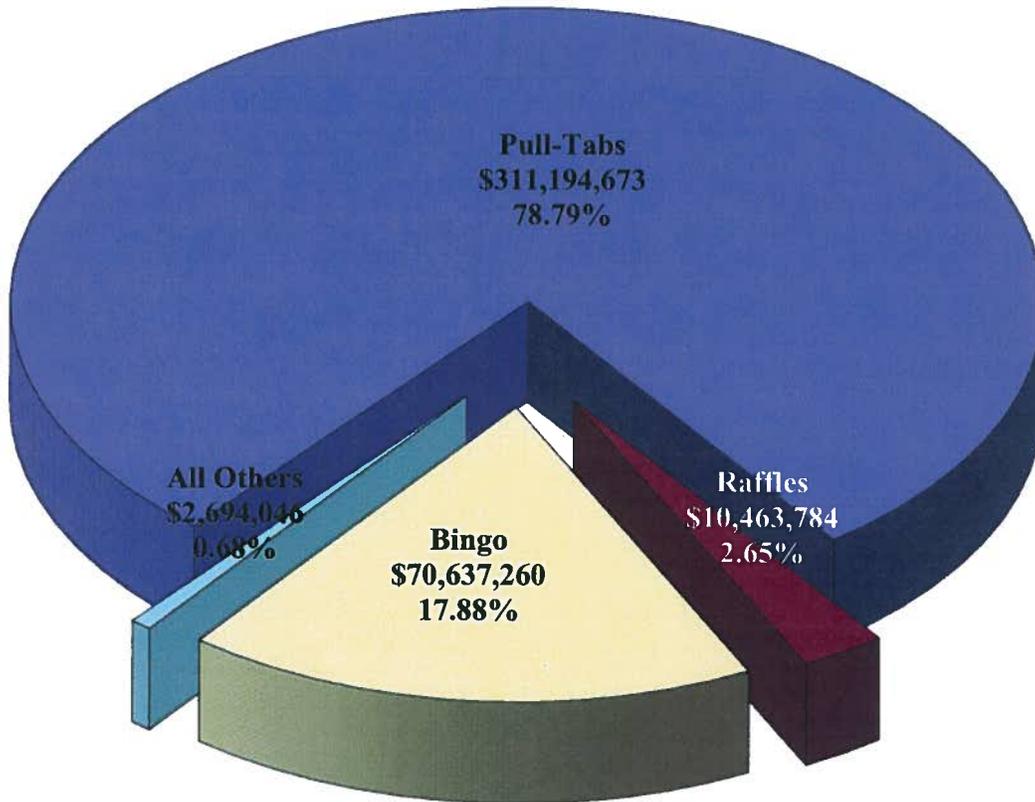
(1) Based on 838 permittee annual reports, 27 operator annual reports, 15 MBP annual reports filed with the division as of 8/25/2010.

(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.

Table 6
2008 Gross Receipts by Game Type⁽¹⁾
Percentage of Gross Receipts



Total Gross Receipts: \$394,989,763

(1) Based on 838 permittee annual reports, 27 operator annual reports, 15 MBP annual reports filed with the division as of 8/25/2010.

Tables 7(a) & (b)

7(a) 2008 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	\$ 144,240,990	\$ 584,556	\$ 114,288,179	\$ 29,368,255	\$ 16,354,278	\$ 13,013,977
Bingo	28,615,999	46,378	20,380,347	8,189,274	5,898,887	2,290,387
Raffle or Lottery	10,141,001	14,546	3,730,051	6,396,404	750,113	5,646,291
Fish Derby	892,055	301	548,556	343,198	264,895	78,303
Ice Classic	621,603	0	310,608	310,995	289,566	21,429
Contest of Skill	548,493	0	494,234	54,259	1,141,215	(1,086,956)
Calcutta Pool	116,731	0	75,147	41,584	6,783	34,801
Dog Musher Contest	21,628	0	19,338	2,290	25	2,265
Snow Machine Classic	2,400	0	1,200	1,200	0	1,200
Animal Classic	18,627	0	523	18,104	5,579	12,525
Sale of Equipment	0	0	0	0	0	0
Canned Salmon Classic	1,214	0	1,214	0	2,158	(2,158)
Race Classic	64,138	0	5,745	58,393	53,390	5,003
Salmon Classic	0	0	0	0	0	0
Rain Classic	945	0	0	945	0	945
Goose Classic	0	0	0	0	0	0
Deep Freeze Classic	0	0	0	0	0	0
Total	\$ 185,285,824	\$ 645,781	\$ 139,855,142	\$ 44,784,901	\$ 24,766,889	\$ 20,018,012
	% of Gross Receipts	0.35%	75.48%		13.37%	10.80%

7(b) 2008 Permittee Vendor Activity

<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	\$ 38,186,770	\$ 109,236	\$ 30,251,313	\$ 7,826,221	\$ 4,128,669	\$ 3,697,552
	% of Gross Receipts	0.29%	79.22%		10.81%	9.68%

(1) Based on 838 permittee annual reports filed with the division as of 8/25/2010.

(2) Total Expense as reported, prior to any limitations.

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

Tables 8(a) & (b)
8(a) 2008 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	\$ 76,880,954	\$ 14,435,772	\$ 128,220	\$ 277,992	\$ 286,075	\$ 92,009,013
Taxes ⁽²⁾	323,448	0	0	0	0	323,448
Prizes	60,260,811	10,389,375	109,293	186,342	143,038	71,088,859
Adjusted Gross Income	16,296,695	4,046,397	18,927	91,650	143,037	20,596,706
Expenses	11,190,431	3,635,659	16,375	82,487	128,638	15,053,590
Net Proceeds	\$ 5,106,264	\$ 410,738	\$ 2,552	\$ 9,163	\$ 14,399	\$ 5,543,116

8(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	\$ 1,156,774	\$ 503,852	\$ 6,000	\$ 4,237	\$ 6,432	\$ 1,677,295
Other Facility Costs	355,440	132,128	-0-	2,452	3,743	493,763
Contract / Pro. Services	457,506	97,582	1,060	3,907	6,024	566,079
Accounting	166,236	32,255	-0-	193	274	198,958
Wages	2,612,722	968,119	-0-	20,222	31,185	3,632,248
Payroll Taxes	291,135	130,145	-0-	1,910	2,920	426,110
Operator Fee ⁽⁴⁾	3,368,022	739,129	-0-	48,330	76,607	4,232,088
Cost of Pull-tab Games	1,816,174	-0-	-0-	-0-	-0-	1,816,174
Pull-Tab Tax Paid	514,077	-0-	-0-	-0-	-0-	514,077
Cost of Bingo Cards	-0-	596,260	-0-	-0-	-0-	596,260
Advertising	23,695	9,466	-0-	234	350	33,745
Equipment Purchases	4,785	-0-	-0-	-0-	-0-	4,785
Other Expenses ⁽⁵⁾	377,360	205,597	315	1,002	1,103	585,377
Door Prizes	46,505	221,126	9,000	-0-	-0-	276,631
Total Expenses	\$ 11,190,431	\$ 3,635,659	\$ 16,375	\$ 82,487	\$ 128,638	\$ 15,053,590

(1) Based on 27 operator annual reports filed with the division as of 12/31/2009.

(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.

Tables 9(a) & (b)

9(a) 2008 Multiple-beneficiary Permittee Activity by Game Type ⁽¹⁾

	<u>Pull-Tab</u>	<u>Bingo</u>	<u>Raffle</u>	<u>Total</u>
Gross Receipts	\$ 50,051,748	\$ 27,585,489	\$ 36,708	\$ 77,673,945
Taxes ⁽²⁾	49,824	0	0	49,824
Prizes	<u>39,551,804</u>	<u>18,553,533</u>	<u>16,998</u>	<u>58,122,335</u>
Adjusted Gross Income	10,450,120	9,031,956	19,710	19,501,786
Expenses ⁽³⁾	<u>5,679,007</u>	<u>5,653,630</u>	<u>978</u>	<u>11,333,615</u>
Net Proceeds	<u>\$ 4,771,113</u>	<u>\$ 3,378,326</u>	<u>\$ 18,732</u>	<u>\$ 8,168,171</u>

9(b) Expense Detail ⁽³⁾

	<u>Pull-Tab</u>	<u>Bingo</u>	<u>Raffle</u>	<u>Total</u>
Rental of Facility	\$ 671,690	\$ 693,968	-0-	\$ 1,365,658
Other Facility Costs	324,571	407,115	0	731,686
Contract / Pro. Services	172,700	89,735	0	262,435
Accounting	102,645	77,329	0	179,974
Wages	2,078,561	1,850,007	0	3,928,568
Payroll Taxes	190,772	163,599	0	354,371
Vendor Compensation	-0-	-0-	0	0
Cost of Games	1,159,560	1,017,057	0	2,176,617
Pull-Tab Tax Paid	341,530	-0-	0	341,530
Advertising	33,780	51,580	0	85,360
Equipment Purchases	18,092	149,567	0	167,659
Other Expenses ⁽⁴⁾	431,005	692,111	978	1,124,094
Door Prizes	<u>154,101</u>	<u>461,562</u>	<u>0</u>	<u>615,663</u>
Total Expenses	<u>\$ 5,679,007</u>	<u>\$ 5,653,630</u>	<u>\$ 978</u>	<u>\$ 11,333,615</u>

(1) Based on 15 MBP annual reports filed with the division as of 12/31/2009. Does not include 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.

Tables 10 (a) & (b)

10(a) 2008 Permittee Self-Directed Activity ⁽¹⁾

	<u>Amount</u>	<u>% Gross Receipts</u>
Gross Receipts	\$ 185,285,824	
Taxes ⁽²⁾	645,781	0.35%
Prizes	<u>139,855,142</u>	75.48%
Adjusted Gross Income	44,784,901	
Expenses	<u>24,766,889</u>	13.37%
Net Proceeds	<u>\$ 20,018,012</u>	10.80%
		100.00%

10(b) Expense Detail ⁽³⁾

	<u>Amount</u>	<u>% Expenses</u>
Rental of Facility	\$ 2,126,450	8.58%
Other Facility Costs	1,707,884	6.90%
Contract / Pro. Services	602,732	2.43%
Accounting	820,326	3.31%
Wages	8,402,869	33.93%
Payroll Taxes	1,284,417	5.19%
Cost of Pull-tab Games	4,405,284	17.79%
Pull-Tab Tax Paid	865,529	3.49%
Cost of Bingo Cards	455,593	1.84%
Advertising	175,041	0.71%
Equipment Purchases	450,562	1.82%
Other Expenses ⁽⁴⁾	2,882,278	11.64%
Door Prizes	536,007	2.16%
Depreciation	<u>51,917</u>	0.21%
Total Expenses	<u>\$ 24,766,889</u>	100.00%

(1) Based on 838 permittee annual reports filed with the division as of 8/25/2010.

(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.

Tables 11(a) & (b)
11(a) Operator Activity ⁽¹⁾

	<u>Amount</u>	<u>% Gross Receipts</u>
Gross Receipts	\$ 92,009,013	
Taxes ⁽²⁾	323,448	0.35%
Prizes	<u>71,088,859</u>	77.26%
Adjusted Gross Income	20,596,706	
Expenses	<u>15,053,590</u>	16.36%
Net Proceeds	<u>\$ 5,543,116</u>	6.03%
		100.00%

11(b) Expense Detail ⁽³⁾

	<u>Amount</u>	<u>% Expenses</u>
Rental of Facility	\$ 1,677,295	11.14%
Other Facility Costs	493,763	3.28%
Contract / Pro. Services	566,079	3.76%
Accounting	198,958	1.32%
Wages	3,632,248	24.13%
Payroll Taxes	426,110	2.83%
Operator Fee ⁽⁴⁾	4,232,088	28.11%
Cost of Games	2,412,434	16.03%
Pull-Tab Tax Paid	514,077	3.42%
Advertising	33,745	0.22%
Equipment Purchases	4,785	0.03%
Other Expenses ⁽⁵⁾	585,377	3.89%
Door Prizes	<u>276,631</u>	1.84%
Total Expenses	<u>\$ 15,053,590</u>	100.00%

(1) Based on 27 operator annual reports filed with the division as of 12/31/2009.

(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, permittee fees, printing, shipping, supplies, travel and miscellaneous.

Tables 12(a) & (b)

12(a) Multiple-Beneficiary Permittee Activity ⁽¹⁾

	<u>Amount</u>	<u>% Gross Receipts</u>
Gross Receipts	\$ 79,508,156	
Taxes ⁽²⁾	49,824	0.04%
Prizes	<u>59,621,775</u>	75.43%
Adjusted Gross Income	19,836,557	
Expenses	<u>11,558,911</u>	14.76%
Net Proceeds	<u>\$ 8,277,646</u>	9.77%
		100.00%

12(b) Expense Detail ⁽³⁾

	<u>Amount</u>	<u>% Expenses</u>
Rental of Facility	\$ 1,365,658	11.81%
Other Facility Costs	731,686	6.33%
Contract / Pro. Services	262,435	2.27%
Accounting	179,974	1.56%
Wages	3,928,568	33.99%
Payroll Taxes	354,371	3.06%
Cost of Games	2,207,371	19.10%
Pull-Tab Tax Paid	352,508	3.05%
Advertising	85,360	0.74%
Equipment Purchases	167,659	1.45%
Vendor Compensation	125,842	1.09%
Other Expenses ⁽⁴⁾	1,181,816	10.22%
Door Prizes	<u>615,663</u>	5.33%
Total Expenses	<u>\$ 11,558,911</u>	100.00%

(1) Based on 15 MBP annual reports filed with the division.

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

(3) Total Expense as reported, prior to any limitations.

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

Table 13
2008 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	\$ 97,543,507	\$ 274,363	\$ 72,526,817	\$ 24,742,327	\$ 14,488,942	\$ 10,253,385
Civic or Service	62,600,106	73,475	47,020,668	15,505,963	9,218,101	6,287,862
Educational	67,959,257	219,941	52,016,291	15,723,025	9,486,611	6,236,414
IRA/Native Village	39,806,507	139,565	29,856,382	9,810,560	5,706,047	4,104,513
Veterans	36,163,938	198,249	28,917,674	7,048,015	3,930,609	3,117,406
Municipality	31,559,027	34,826	24,510,054	7,014,147	4,013,334	3,000,813
Fraternal	23,898,607	108,816	18,890,129	4,899,662	3,020,668	1,878,994
Nonprofit Trade Assn	13,172,775	8,576	10,343,752	2,820,447	1,629,146	1,191,301
Dog Musers' Assn	11,271,685	27,817	8,565,602	2,678,266	2,441,837	236,429
Police or Fire Dept	7,624,160	37,876	5,871,024	1,715,260	1,078,149	637,111
Religious	1,245,515	1,251	779,462	464,802	145,062	319,740
Labor	1,252,444	2,054	899,362	351,028	188,064	162,964
Political	685,932	1,480	498,075	186,377	99,006	87,371
Fishing Derby Assn	206,303	0	121,797	84,506	62,483	22,023
Total	\$ 394,989,763	\$ 1,128,289	\$ 300,817,089	\$ 93,044,385	\$ 55,508,059	\$ 37,536,326

(1) Based on 838 permittee annual reports, 27 operator annual reports, 15 MBP annual reports filed with the division as of 8/25/2010.

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

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

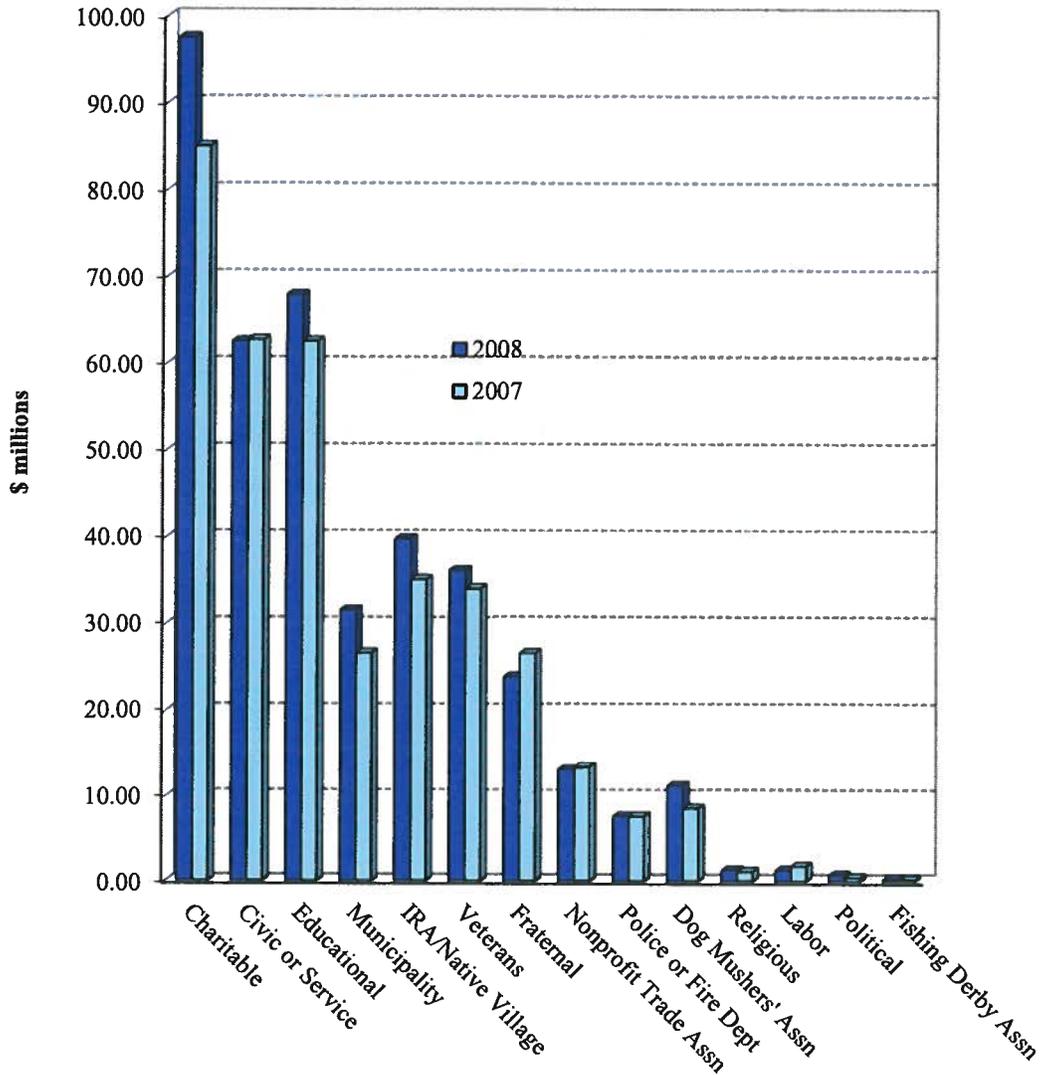
Table 14
Gross Receipts from Gaming by Organization Type ⁽¹⁾

<u>Organization Type</u>	<u>2008</u> ⁽²⁾		<u>2007</u> ⁽²⁾
	<u>Gross Receipts</u>		<u>Gross Receipts</u>
Charitable	\$ 97,543,507	Charitable	\$ 85,051,309
Civic or Service	62,600,106	Civic or Service	62,799,915
Educational	67,959,257	Educational	62,620,458
IRA/Native Village	39,806,507	IRA/Native Village	35,117,120
Veterans	36,163,938	Municipality	26,610,459
Municipality	31,559,027	Veterans	34,078,402
Fraternal	23,898,607	Fraternal	26,625,833
Nonprofit Trade Association	13,172,775	Nonprofit Trade Association	13,422,015
Dog Musers' Association	11,271,685	Dog Musers' Association	8,578,850
Police or Fire Dept	7,624,160	Police or Fire Dept	7,614,462
Religious	1,245,515	Religious	1,105,043
Labor	1,252,444	Labor	1,735,149
Political	685,932	Political	407,669
Fishing Derby Association	<u>206,303</u>	Fishing Derby Association	<u>221,982</u>
Total	<u>\$ 394,989,763</u>	Total	<u>\$ 365,988,666</u>

(1) Based on 838 permittee annual reports, 27 operator annual reports, 15 MBP annual reports filed with the division.

(2) Based on 623 permittee annual reports (originally reported as 1,150), 30 operator annual reports, 15 MBP annual reports filed with the division.

Table 15
Gross Receipts by Organization Type



Gross Receipts
2008 - \$394,989,763
2007 - \$365,988,666

Tables 16(a) & (b)

16(a) Licensed Operators

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>
Anchorage	8	10	9	7	4	5	7	7	8	6	6
Bethel	1	1	1	1	1	1	1	1	1	2	1
Craig	2	2	2	2	2	3	3	3	3	3	3
Eagle River	1	0	0	0	0	0	0	0	0	0	0
Fairbanks	6	6	6	5	5	6	7	6	4	4	4
Juneau	1	1	1	1	1	2	1	1	1	1	0
Ketchikan	4	4	4	4	4	5	5	5	4	3	3
Nome	1	1	1	1	2	2	2	2	2	2	2
North Pole	0	0	0	0	1	1	0	0	1	1	1
Palmer	1	2	1	0	0	0	0	0	0	0	0
Petersburg	1	1	1	1	1	1	1	1	1	1	1
Valdez	0	0	0	0	0	0	0	0	0	1	1
Wasilla	<u>2</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	<u>28</u>	<u>29</u>	<u>27</u>	<u>23</u>	<u>22</u>	<u>27</u>	<u>27</u>	<u>26</u>	<u>25</u>	<u>24</u>	<u>22</u>

16(b) Licensed Distributors

Anchorage	2	6	2	2	3	4	3	3	5	5	5
Fairbanks	3	5	4	4	3	3	4	4	2	2	3
Juneau	2	3	2	2	3	2	2	2	2	2	2
Ketchikan	2	3	1	1	1	1	1	1	1	1	1
Nome	0	0	0	0	0	1	1	1	1	1	1
Sitka	1	2	1	1	1	1	1	1	1	1	1
Soldotna	1	1	1	1	1	1	1	1	1	1	1
Kent	<u>1</u>	<u>1</u>	<u>0</u>								
Total	<u>12</u>	<u>21</u>	<u>11</u>	<u>11</u>	<u>12</u>	<u>13</u>	<u>13</u>	<u>13</u>	<u>13</u>	<u>14</u>	<u>14</u>

Tables 17(a) & (b)
17(a) 2008 Registered Vendors and Locations

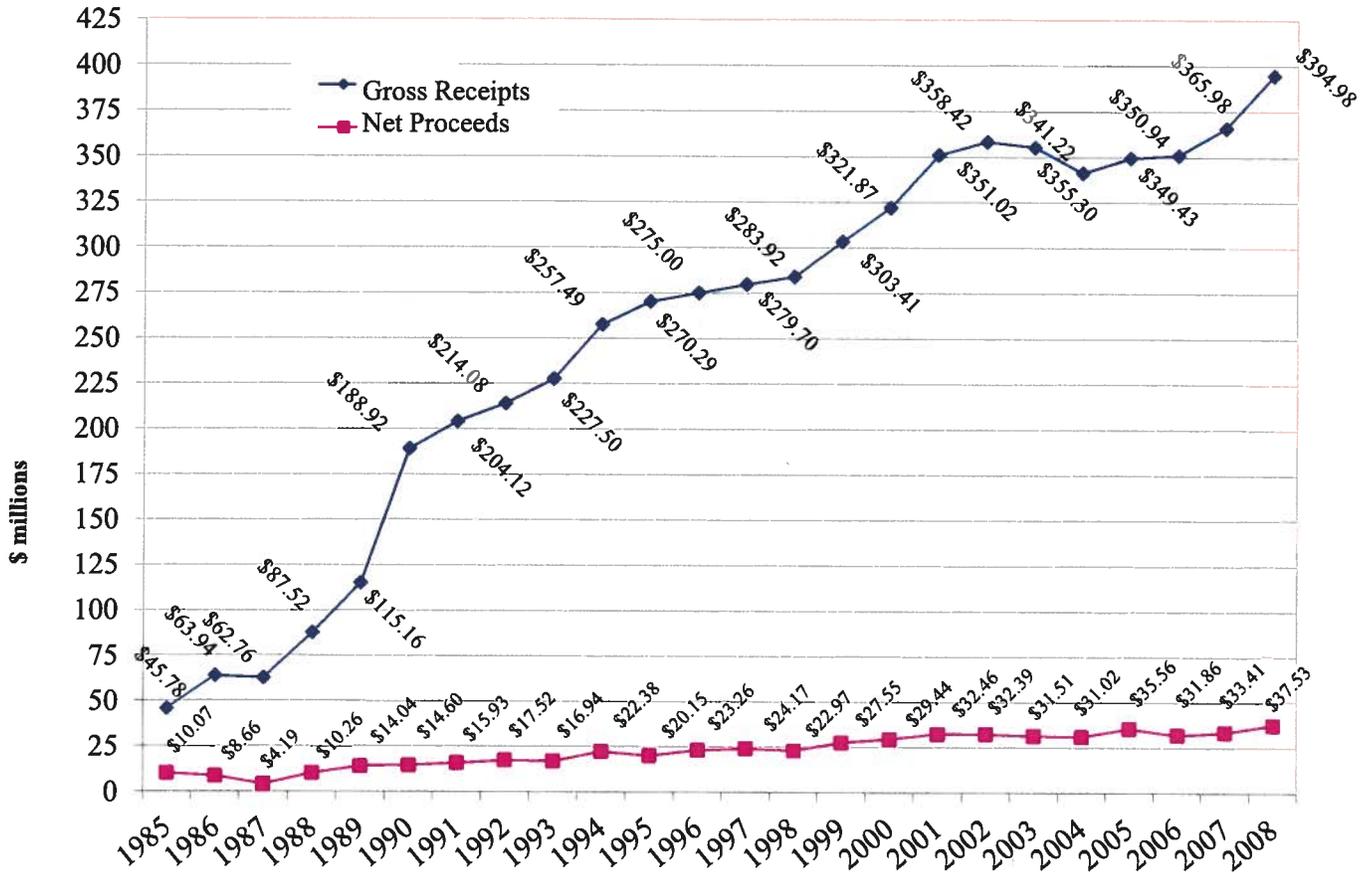
<u>City</u>	<u>Vendors</u>	<u>City</u>	<u>Vendors</u>
Anchor Point	1	Kodiak	3
Anchorage	47	Manley Hot Springs	1
Big Lake	5	Moose Creek	1
Cantwell	1	Naknek	3
Chitina	1	Nenana	2
Chugiak	2	Nikiski	2
Clam Gulch	2	Nome	7
Clear	1	North Pole	5
Cooper Landing	1	Northway	1
Copper Center	3	Palmer	5
Cordova	2	Petersburg	1
Craig	2	Salcha	2
Delta Junction	3	Seldovia	1
Dutch Harbor	2	Seward	4
Eagle River	3	Sitka	4
Ester	1	Soldotna	9
Fairbanks	27	Sterling	1
Galena	1	Talkeetna	2
Haines	4	Tok	3
Homer	6	Trapper Creek	1
Hoonah	1	Unalaska	1
Houston	1	Valdez	6
Juneau	10	Wasilla	11
Kasilof	1	Whittier	2
Kenai	8	Willow	3
Ketchikan	7	Wrangell	4
King Salmon	1	Yakutat	3

Total Vendors in 2008 232
Total Vendors in 2007 245

17(b) Multiple-beneficiary Permittees and Locations

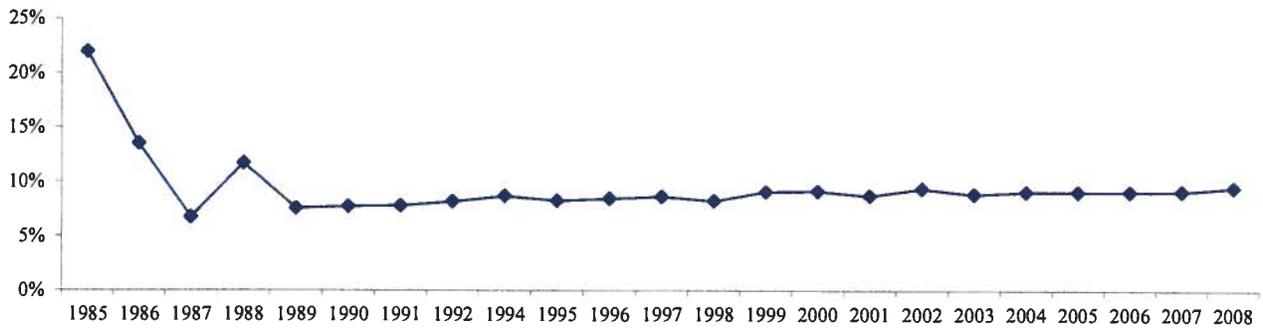
<u>City</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
Anchorage	5	5	4	6	6	5	5
Douglas	1	1	1	1	1	0	0
Fairbanks	3	3	3	2	2	3	2
Homer	0	0	0	0	1	1	0
Juneau	1	1	2	2	2	3	4
Kenai	1	2	2	3	2	3	2
Kodiak	3	2	2	2	2	2	1
Soldotna	1	1	1	0	1	0	0
Wasilla	0	1	1	0	0	0	0
Total MBPs	<u><u>15</u></u>	<u><u>16</u></u>	<u><u>16</u></u>	<u><u>16</u></u>	<u><u>17</u></u>	<u><u>17</u></u>	<u><u>14</u></u>

Tables 18(a) & (b)
18(a) Annual Gross Receipts and Net Proceeds



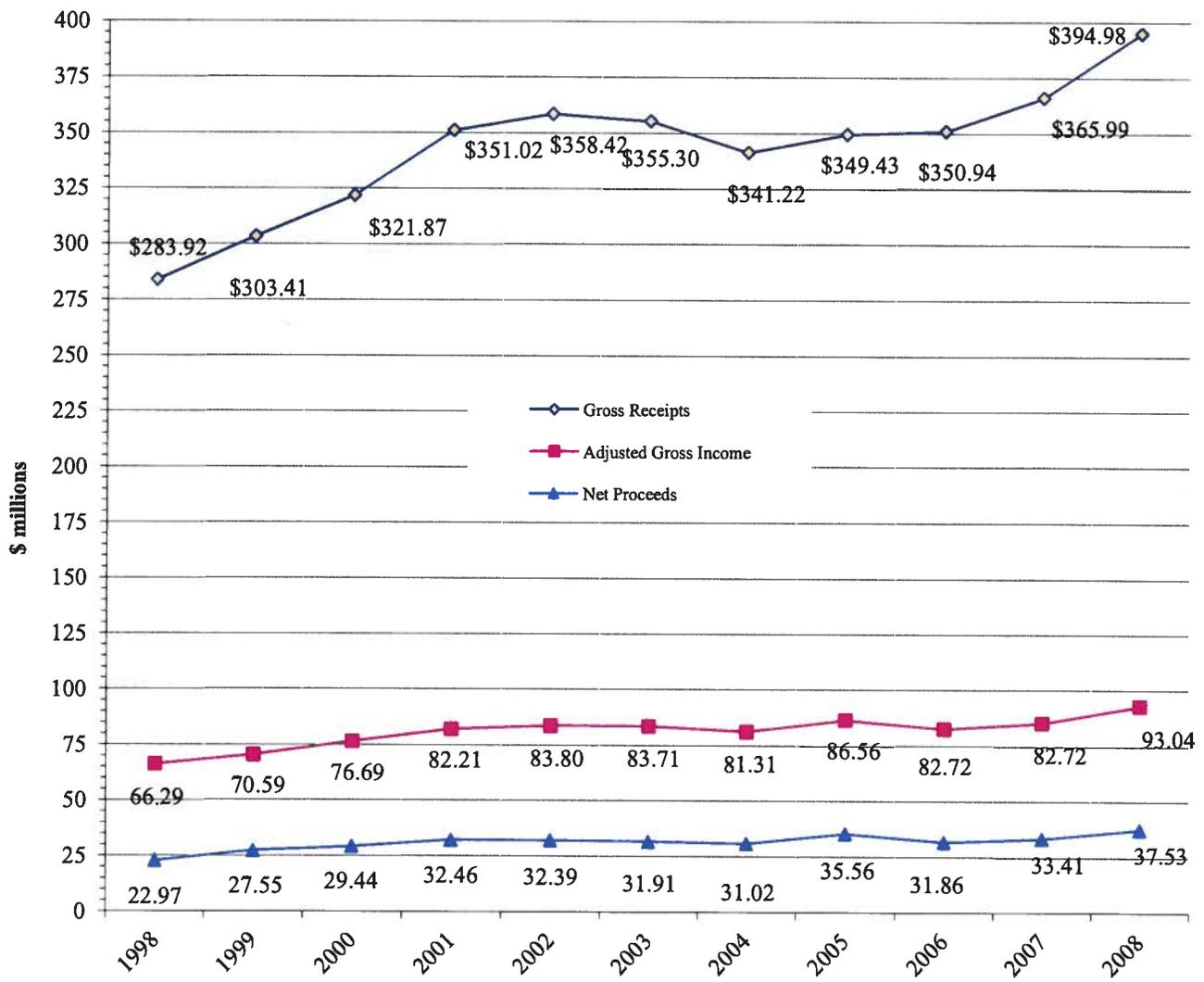
Pull-Tabs were legalized and prize limits increased in 1988.

18(b) Net Proceeds as a Percentage of Gross Receipts



Tables 19(a) & (b)

19(a) Annual Adjusted Gross Income and Net Proceeds



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.

19(b) Net Proceeds as a Percentage of Adjusted Gross Income

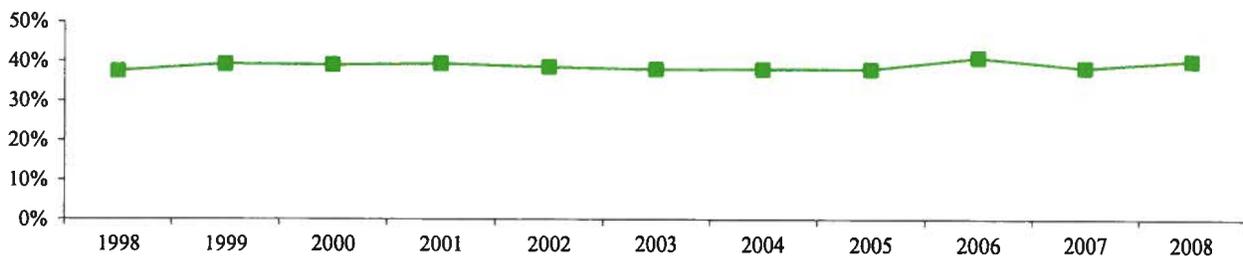


Table 20
Annual Gross Receipts, Prizes, Expenses, Taxes and Net Proceeds

