

STATE OF ALASKA

DEPARTMENT OF REVENUE

*Tax Division
Gaming Group*



**Calendar Year 2010
ANNUAL REPORT OF GAMING GROUP OPERATIONS**

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

Sean Parnell
Governor

Bryan Butcher
Commissioner

2010

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 2010

Annual Report of Gaming Group Operations
Table of Contents

	<u>Page</u>
Executive Summary	
Introduction	1
Gaming History and Background Chart.....	3
Gaming Industry Facts and Trends	4
Division Concerns and Focus.....	5
Court Proceedings.....	6
Regulatory Actions.....	7
2010 Regulatory Actions.....	8
Organization	
Key Contacts.....	9
Department of Revenue's Tax Division Organization Chart.....	10
Charitable Gaming Detail	
Schedule of Charitable Gaming Activity (Table 1).....	11
2010 Gross Receipts Distribution (Table 2).....	12
2010 Activity by Business Classification (Tables 3(a) & (b))	13
2010 Expenses by Business Classification (Table 4).....	14
Activity by Game Type and Business Classification (Tables 5(a) & (b)).....	15
2010 Gross Receipts by Game Type (Table 6).....	16
2010 Permittee Self-Directed Activity by Game Type (Tables 7(a) & (b)).....	17
2010 Operator Activity by Game Type and Breakdown of Expenses (Tables 8(a) & (b)).....	18
2010 Multiple-Beneficiary Permittee Activity by Game Type and Expense Detail (Tables 9(a) & (b)).....	19
2010 Permittee Self-Directed Activity and Expense Detail (Tables 10(a) & (b)).....	20
2010 Operator Activity and Expense Detail (Tables 11(a) & (b)).....	21
2010 Multiple-Beneficiary Permittee Activity and Expense Detail (Tables 12(a) & (b))	22
2010 Activity by Organization Type (Table 13).....	23
Gross Receipts from Gaming by Organization Type (Table 14).....	24
Gross Receipts by Organization Type (Table 15).....	25
Licensed Operators and Distributors (Tables 16(a) & (b)).....	26
2010 Registered Vendor locations and Multiple-Beneficiary Permits Issued (Tables 17(a) & (b))	27
Annual Gross Receipts and Net Proceeds (Tables 18(a) & (b)).....	28
Annual Adjusted Gross Income and Net Proceeds (Tables 19(a)) & Net Proceeds as a Percentage of Gross Receipts and Adjusted Gross Income (Tables 19(b)).....	29
Annual Gross Receipts, Prizes, Expenses, Taxes, and Net Proceeds (Table 20)	30

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 2010, as reported by permittees, operators and MBPs, and filed as of March 8, 2013.

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 2010, the total amount spent on gaming activities was over \$360 million. After prizes and taxes were paid, approximately \$85 million was available for gaming expenses and net proceeds to 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 to qualify for a gaming permit.

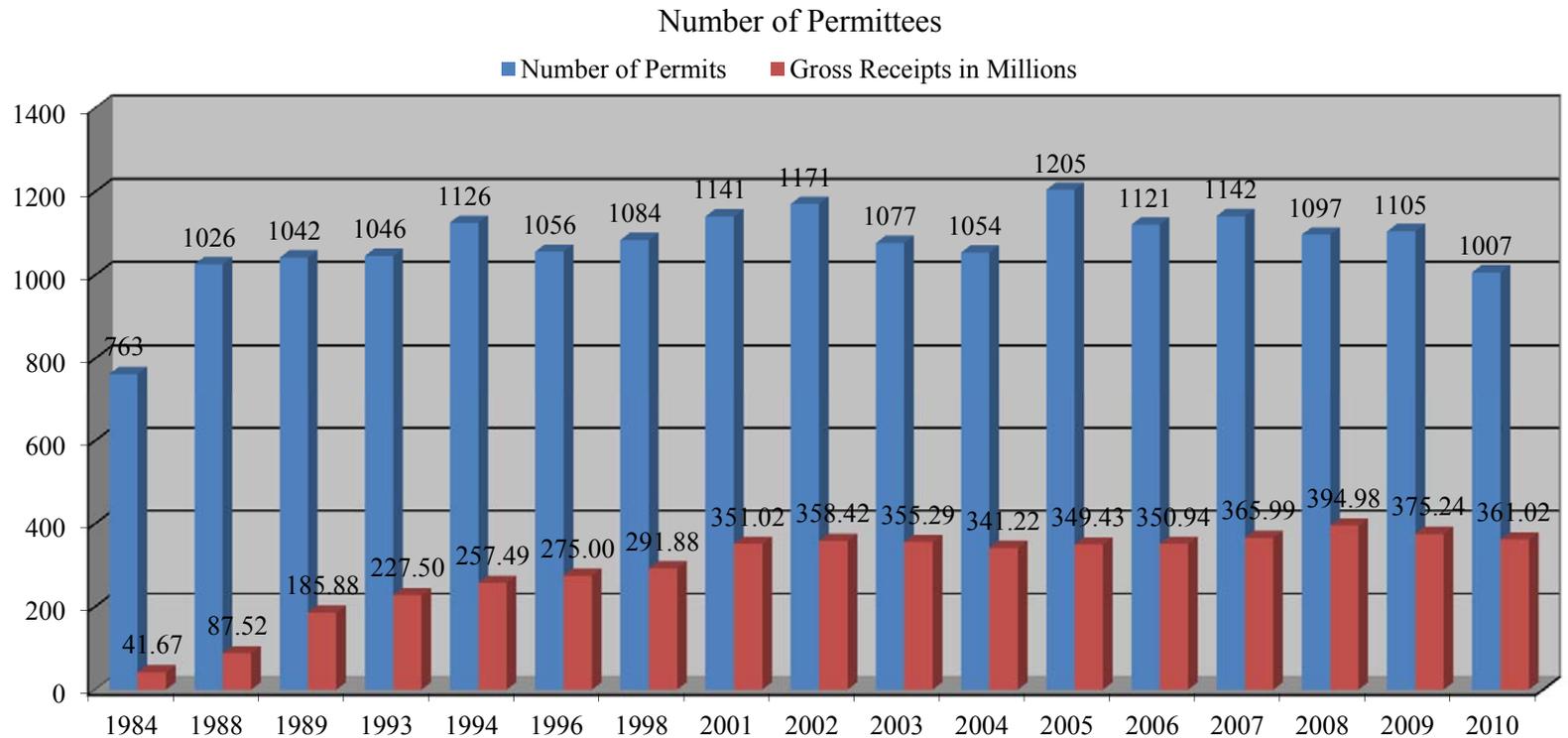
The Department of Revenue may only issue a permit to a municipality or qualified organization. The 15 types of qualified organization eligible to game in Alaska are:

- ◆ 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



<p>1984</p> <ul style="list-style-type: none"> · Pull-tabs authorized by regulation. 	<p>1993</p> <ul style="list-style-type: none"> · Statutory changes allow Multiple-beneficiary permits and vendors, limit pull-tab expenses to 70% of adjusted gross income and other games to 90%. 	<p>1994-1996</p> <ul style="list-style-type: none"> · Regulations enjoined in 1994; adopted in 1996. <p>1996</p> <ul style="list-style-type: none"> · MBP Compliance project initiated. · Attorney General filed Griffin lawsuit. 	<p>1997</p> <ul style="list-style-type: none"> · Gaming budget cut by one-third. <p>1998</p> <ul style="list-style-type: none"> · Supreme Ct. granted state's petition for review of Superior Court order in Griffin case. 	<p>2001</p> <ul style="list-style-type: none"> · Supreme Ct. decision favors state in Griffin case. · New regulations proposed and adopted. <p>2002</p> <ul style="list-style-type: none"> · Griffin case settles. Griffins to pay \$400,000 to permittees. 	<p>2003</p> <ul style="list-style-type: none"> · New regulations effective January 1, 2003 · Stewart case settles. Stewart pays \$200,000 to permittees. 	<p>2004</p> <ul style="list-style-type: none"> · Animal classic regulations effective in December. <p>2005</p> <ul style="list-style-type: none"> · New regulations effective September 3, 2005 	<p>2006</p> <ul style="list-style-type: none"> · House Task Force recommended there be no Gaming Commission. · Excess Prize & Expense Project was initiated. 	<p>2007-2009</p> <ul style="list-style-type: none"> · Wright case settled. Wright banned from gaming in Alaska. · Permittees received \$311,415 during 2007, \$511,410 by the end of 2008, and \$565,580 by the end of 2009. 	<p>2008</p> <ul style="list-style-type: none"> · New Statutes & regulations adopted. · Non bingo prize limit increased to \$2,000,000.
--	--	--	--	--	---	---	---	---	---

2010 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, 2010.

- ◆ 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 2010 calendar year permittee data on 975 annual financial statements filed as of April 22, 2013. There are 142 annual reports outstanding.
- ◆ The division issued 15 MBP permits in 2009 and 15 in 2010. All MBPs filed their reports.
- ◆ The division issued 26 operator licenses in 2009 and all 26 filed their reports. In 2010 the division issued 28 operators licenses and 27 of them filed their reports.
- ◆ Fees and taxes collected by the division:

	FY-11	FY-10
3% Tax on Pull-Tabs:	\$2,051,623	\$2,144,998
1% Additional Fee on Permittees' Gaming Profits:	338,889	320,149
Permit and License Fees:	134,320	144,135
	\$2,524,832	\$2,609,282
- ◆ Distributors reported \$1,939,473 of pull-tab tax paid for calendar year 2010.

2010 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 self-directed permittees and Multiple-Beneficiary Permit holders [MBPs] into compliance.

Multiple Beneficiary Permit Holders. The first step in the MBP program initiated in 2000 was to ensure that MBPs complied with minimum distribution requirements. All MBPs came into compliance with those requirements. The second step focused on MBP compliance with expense limitations. In each of three years, 2003, 2004 and 2007, two MBPs were in violation of expense requirements. One MBP had excess expenses in both 2003 and 2004. That MBP, and the other MBP in violation in 2004, voluntarily discontinued operations in 2005. One of the MBPs that was out of compliance in 2007 discontinued its activities in November of 2007; the other hired forensic auditors to review their operations, replaced its managers, and retained its permit. Another MBP misallocated a substantial amount of net proceeds among the members and redistributed net proceeds during calendar years 2005-2008.

Future MBP audits will focus on the same issues. Regulations that took effect in 2003 define the operation of MBPs more clearly than in the years immediately following the statutory creation of these entities, and have mitigated some of the earlier compliance issues.

Self-Directed Permittees. 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 agreements with 25 permittees that exceeded the limits in 2003 and 2004, and in some cases, 2005. Statutory increase of the non-bingo prize limit from \$1,000,000 to \$2,000,000 has eliminated excess prize violations. 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 the reporting for bingo and pull-tab 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.

During the expense phase of the program, nine permits were suspended or revoked; appeals at each level upheld the action taken against the permits; two permittees discontinued the non-compliant activity and have only raffle permits. Two other permittees have not applied for gaming permits since 2007 and 2009. One organization is no longer in existence. The issues related to the remaining permittees were either resolved or, if there were outstanding issues, their failure to resolve the issues in a timely manner may be considered if future audits show that the permittee remains out of compliance. This program is complete.

In the future, all organizations with permits will be fully responsible for the conduct and reporting of gaming operations and will be subject to suspension and revocation even if there are changes in the Board of Directors or other governing body, gaming manager, or Primary or Alternate Members in Charge.

Online Permit and License System (OPAL). In 2006, the Division expanded OPAL to include Gaming. 349 permittees applied online for 2007, 432 for 2008, 398 in 2009 and 491 in 2010. Additionally, 7 manufacturers, 10 distributors and 3 multiple-beneficiary permittees applied on-line in 2010.

Court Proceedings

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 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 was secured by a confession of judgment from Mr. Reese for the entire \$500,000 if he defaulted on the terms of the settlement. The agreement resulted in a lifetime ban of Mr. Reese from applying for a license in the State of Alaska. Mr. Reese paid the initial sum of \$100,000 in September of 2006. He was out of compliance at the end of 2008, making no further payments. In May 2011, Mr. Reese signed a new settlement agreement, under which he will pay the remaining \$12,500, plus \$4,368.65 in interest, with payment to start in June 2011.

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. The license was revoked on June 2, 2006, 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 2005 annual report was filed late and the 2005 CPA review is still delinquent. A Demand Upon Bond letter was served in January 2010, to start the bond liquidation process. There was no response, and the entire \$100,000 bond was distributed among the permittees in June 2010.

Anchorage. The Whaler Casino Supply Company sold a pull-tab game that used a punch board in play of the game. Punch boards are not authorized in either statute or regulation, and a Notice of Violation was issued in August 2010 to stop such use.

Anchorage. Custom Pull-tabs sold a pull-tab game that involved multiple pull-tabs on a perforated strip. All of the \$500 prizes were grouped, so that a single strip of four pull-tabs would pay \$2,000, the flare card billed the game as having more than one \$500 prize on a strip, and the strips were sold as units. Taken together, these features were seen as an attempt to evade the \$500 prize limit for a single pull-tab. A Notice of Violation was issued in June 2010 and the distributor had to retrieve all such games sold to permittees.

Juneau. The owner of the Juneau Bowling Center, a registered vendor, played pull-tabs from games he was selling. A Notice of Violation was issued in October 2010.

John Perry, Operator. An audit in 2009 found that the permittees were owed \$92,659, plus interest, for 2008 and 2009. Notices of Violation and Revocation were issued on 25 September 25, 2009. Mr. Perry appealed the revocation; the appeal upheld a one-year revocation, effective on October 19, 2009, and barred reapplication for five years. Procedures to recover the bond and distribute it to the permittees were started in 2010, with distribution occurring in 2011.

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 appealed in 2009. In March 2010, Appeals upheld the suspension for nine months. In July 2010, the Office of Administrative Hearings upheld suspension for seven months, to start on April 15, 2010.

As a result of investigations, each of the following was issued a Notice of Violation for sale of pull-tabs to a minor.

Anchorage

Ripple King II, June 2010
The Whaler, June 2010
Northern Lights Bingo, July 2010
VFW Post 4352, September 2010
The Dugout Bar, November 2010

Juneau

Henry's Food & Spirits, October 2010
The Triangle Club, October 2010
Hidden Treasures, October 2010
Lucky Louie's Pull-Tabs, October 2010

Ketchikan

Alaska Indoor Sports, September 210

Dillingham

Choggiung Tower, September 2010
Ekuk Village Council, September 2010

Nome

VFW Bering Sea Post 9569, September 2010

Palmer

Sea of Tabs, February 2010
Four Corners, February 2010

Wasilla

AmVets Post 9, February 2010

Kodiak

Kodiak Bar, January 2010

2010 Regulatory Actions

Benton Bay Athletic Lions. The permittee filed its 2008 Annual Financial Statement [AFS] after the deadline for filing. The Department revoked the 2009 permit for failure to file a timely AFS and failure to respond to notices. Upon appeal, the permit was suspended for 30 days, effective on February 4, 2010.

Alaska Information Radio Reading Education Service. The Department denied the AIRRES application for a permit to conduct bingo over the Internet in December 2009, and AIRRES appealed in December 2009. In an April 2010 decision, the denial was upheld, and AIRRES did not contest the decision.

Key Contacts

Juneau Office

Alaska Department of Revenue
Tax Division
11th Floor, State Office Building
PO Box 110420
Juneau, AK 99811-0420
(907) 465-2320 Voice
(907) 465-3098 Fax

Anchorage Office

Alaska Department of Revenue
Tax Division
Robert B. Atwood Building
550 West 7th Avenue, Suite 500
Anchorage, AK 99501-3555
(907) 269-6620 Voice
(907) 269-6595 Fax

Matthew R Fonder, Director
Anchorage Office
(907) 269-6620

Johanna Bales, Deputy Director
Anchorage Office
(907) 269-6620

Jeff Prather, Supervisor
Juneau Office
(907) 465-2320

Web Site
<http://www.tax.alaska.gov>

Table 1
Schedule of Charitable Gaming Activity

	2010 ⁽¹⁾		2009 ⁽²⁾	
	Amount	% Gross Receipts	Amount	% Gross Receipts
Gross Receipts	\$ 361,440,775		\$ 375,238,992	
Taxes ⁽⁴⁾	992,983	0.28%	1,405,014	0.37%
Prizes	<u>275,751,679</u>	76.29%	<u>287,536,885</u>	76.63%
Adjusted Gross Income	84,696,113		86,297,093	
Expenses	<u>53,166,846</u>	14.71%	<u>53,818,701</u>	14.34%
Net Proceeds	<u>31,529,267</u>	8.72%	<u>32,478,392</u>	8.66%
		100.00%		100.00%

Breakdown of Expenses ⁽³⁾

	2010	2009
Rental of Facility	\$ 5,127,572	\$ 4,974,999
Other Facility Costs	2,557,605	2,627,428
Contract / Pro. Services	1,500,211	1,655,210
Accounting	1,180,958	1,245,148
Wages	16,042,545	15,998,211
Payroll Taxes	1,886,966	2,045,937
Operator Fee ⁽⁵⁾	3,614,747	3,393,493
Vendor Compensation	2,295,168	2,419,004
Cost of Games	10,129,890	10,569,869
Pull-Tab Tax Paid ⁽⁶⁾	1,722,763	1,838,113
Advertising	367,388	390,371
Equipment Purchases	511,402	516,793
Depreciation	59,681	42,185
Other Expenses ⁽⁷⁾	4,434,540	4,363,951
Door Prizes	<u>1,735,410</u>	<u>1,737,989</u>
Total Expenses	<u>\$ 53,166,846</u>	<u>\$ 53,818,701</u>

(1) Based on 975 permittee annual reports, 27 operator annual reports, 15 MBP annual reports filed with the division as of 4/22/2013.

(2) Based on 1,029 permittee annual reports, 26 operator annual reports, 16 MBP annual reports filed with the division as of 5/24/2012.

(3) Total Expenses as reported by permittees, operators and MBPs, 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.

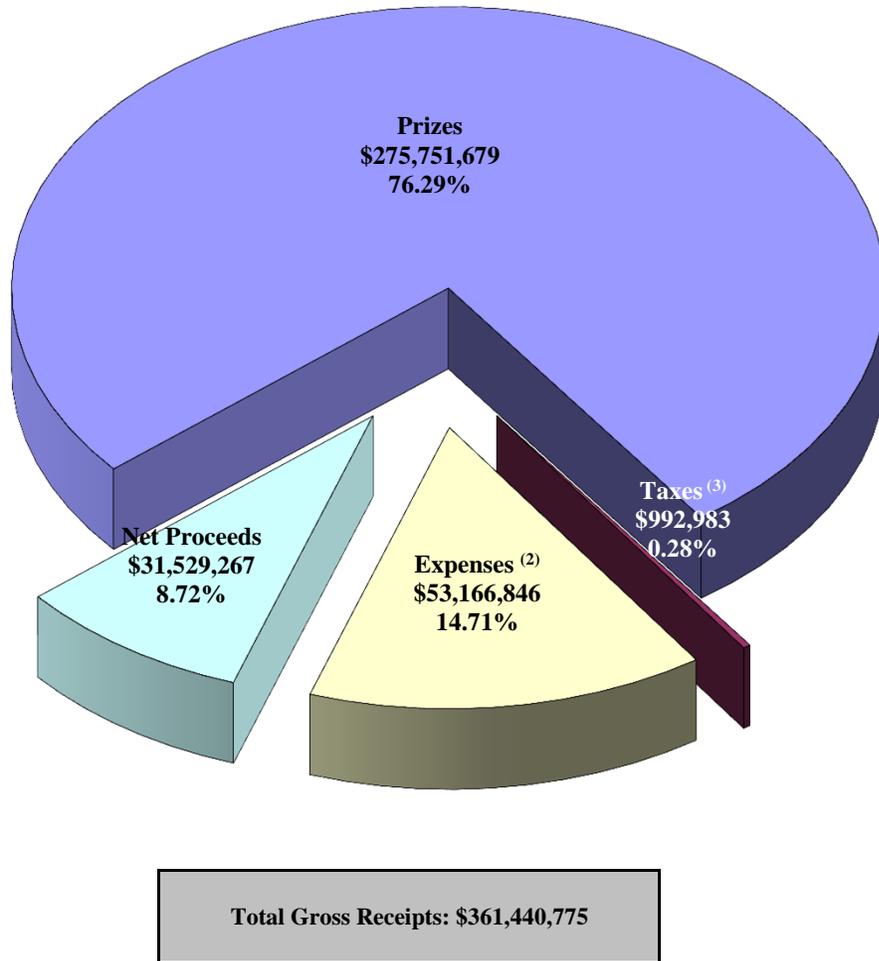
(5) Reported Operator fees have been reduced to reflect actual operator payments to permittees.

(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

**2010 Gross Receipts Distribution ⁽¹⁾
Percentage of Gross Receipts**



(1) Based on 975 permittee annual reports, 27 operator annual reports, 15 MBP annual reports filed with the division as of 4/22/2013.
(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) 2010 Activity by Business Classification ⁽¹⁾

	Permittees		Vendors		Operators ⁽³⁾		MBPs ⁽⁵⁾		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	\$ 161,593,121		\$ 35,324,648		\$ 83,518,750		\$ 81,004,256		\$ 361,440,775	
Taxes ⁽⁴⁾	472,640	0.29%	\$ 262,062	0.74%	212,021	0.25%	46,260	0.06%	992,983	0.27%
Prizes	<u>121,972,395</u>	75.48%	<u>\$ 27,921,484</u>	79.04%	<u>64,013,721</u>	76.65%	<u>61,844,079</u>	76.35%	<u>275,751,679</u>	76.29%
Adjusted Gross Income	39,148,086		7,141,102		19,293,008		19,113,917		84,696,113	
Expenses	<u>21,925,140</u>	13.57%	<u>\$ 3,827,965</u>	10.84%	<u>14,263,166</u>	17.08%	<u>13,150,575</u>	16.23%	<u>53,166,846</u>	14.71%
Net Proceeds	<u>\$ 17,222,946</u>	10.66%	<u>\$ 3,313,137</u>	9.38%	<u>\$ 5,029,842</u>	6.02%	<u>\$ 5,963,342</u>	7.36%	<u>\$ 31,529,267</u>	8.73%
		100.00%		100.00%		100.00%		100.00%		100.00%

3(b) 2009 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	\$ 171,979,463		\$ 37,770,680		\$ 87,867,850		\$ 77,620,999		\$ 375,238,992	
Taxes ⁽⁴⁾	619,018	0.36%	\$ 456,363	1.21%	285,574	0.32%	44,059	0.06%	1,405,014	0.37%
Prizes	<u>130,465,668</u>	75.86%	<u>\$ 29,636,301</u>	78.46%	<u>67,981,635</u>	77.37%	<u>59,453,281</u>	76.59%	<u>287,536,885</u>	76.63%
Adjusted Gross Income	40,894,777		\$ 7,678,016		19,600,641		18,123,659		86,297,093	
Expenses	<u>22,981,461</u>	13.36%	<u>\$ 4,036,982</u>	10.69%	<u>14,350,135</u>	16.33%	<u>12,450,123</u>	16.04%	<u>53,818,701</u>	14.34%
Net Proceeds	<u>\$ 17,913,316</u>	10.42%	<u>\$ 3,641,034</u>	9.64%	<u>\$ 5,250,506</u>	5.98%	<u>\$ 5,673,536</u>	7.31%	<u>\$ 32,478,392</u>	8.66%
		100.00%		100.00%		100.00%		100.00%		100.00%

(1) Based on 975 permittee annual reports, 27 operator annual reports, 15 MBP annual reports filed with the division as of 4/22/2013.

(2) Based on 1,029 permittee annual reports, 26 operator annual reports, 16 MBP annual reports filed with the division as of 5/24/2012.

(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.

(5) MBP Pull-Tab sales include those sold at vendor locations.

Table 4
2010 Expenses by Business Classification ⁽¹⁾

	Permittees	Vendors	Operators	MBPs ⁽⁴⁾	Totals
Rental of Facility	\$ 1,747,245	\$	\$ 1,849,564	\$ 1,530,763	5,127,572
Other Facility Costs	1,256,921		439,441	861,243	2,557,605
Contract / Pro. Services	434,790		726,542	338,879	1,500,211
Accounting	696,672		286,957	197,329	1,180,958
Wages	7,978,416		3,508,257	4,555,872	16,042,545
Payroll Taxes	1,095,684		330,822	460,460	1,886,966
Operator Fee ⁽²⁾	-		3,614,747	-	3,614,747
Vendor Compensation	-	2,213,837	-	81,331	2,295,168
Cost of Games	4,533,602	1,111,844	2,248,266	2,236,178	10,129,890
Pull-Tab Tax Paid	724,793	200,723	455,555	341,692	1,722,763
Depreciation	59,681				59,681
Advertising	187,654		54,426	125,308	367,388
Equipment Purchases	342,138		26,121	143,143	511,402
Other Expenses ⁽³⁾	2,510,125	301,561	505,477	1,117,377	4,434,540
Door Prizes	357,419		216,991	1,161,000	1,735,410
Total	\$ 21,925,140	\$ 3,827,965	\$ 14,263,166	\$ 13,150,575	\$ 53,166,846

(1) Based on 975 permittee annual reports, 27 operator annual reports, 15 MBP annual reports filed with the division as of 4/22/2013.

(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.

(4) MBP Pull-Tab sales include those sold at vendor locations.

Tables 5(a) & (b)

5(a) Activity by Game Type ⁽¹⁾

<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	\$ 280,680,497	\$ 926,592	\$ 221,519,517	\$ 58,234,388	\$ 35,970,531	\$ 22,263,857
Bingo	68,482,273	37,261	49,105,096	19,339,916	15,474,246	3,865,670
Raffle or Lottery	9,921,465	27,654	3,779,568	6,114,243	890,276	5,223,967
Fish Derby	1,119,614	158	590,822	528,634	308,638	219,996
Ice Classic	594,382	0	282,298	312,084	280,527	31,557
Contest of Skill	342,318	703	294,448	47,167	164,651	(117,484)
Calcutta Pool	74,782	0	47,468	27,314	8,051	19,263
Animal Classic	191,144	615	113,852	76,677	56,379	20,298
Snow Machine Classic	0	0	0	0	0	0
Dog Musher Contest	30,447	0	16,040	14,407	9,903	4,504
Race Classic	0	0	0	0	0	0
Canned Salmon Classic	0	0	0	0	0	0
Sale of Equipment	0	0	0	0	2,086	(2,086)
Salmon Classic	3,853	0	2,210	1,643	1,558	85
Rain Classic	0	0	360	(360)	0	(360)
Goose Classic	0	0	0	0	0	0
Deep Freeze Classic	0	0	0	0	0	0
Total	\$ 361,440,775	\$ 992,983	\$ 275,751,679	\$ 84,696,113	\$ 53,166,846	\$ 31,529,267

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

Pull-Tabs

Permittee	\$ 127,258,559	\$ 407,165	\$ 100,705,580	\$ 26,145,814	\$ 15,798,328	\$ 10,347,486
MBP ⁽⁵⁾	50,061,176	46,260	39,650,268	10,364,648	6,216,055	4,148,593
Vendor	35,324,648	262,062	27,921,484	7,141,102	3,827,965	3,313,137
Operator ⁽⁴⁾	68,036,114	211,105	53,242,185	14,582,824	10,128,183	4,454,641
Total	\$ 280,680,497	\$ 926,592	\$ 221,519,517	\$ 58,234,388	\$ 35,970,531	\$ 22,263,857

Bingo

Permittee	\$ 22,990,947	\$ 37,261	\$ 16,747,281	\$ 6,206,405	\$ 4,684,845	\$ 1,521,560
MBP	30,904,584	0	22,164,891	8,739,693	6,934,520	1,805,173
Operator ⁽⁴⁾	14,586,742	0	10,192,924	4,393,818	3,854,881	538,937
Total	\$ 68,482,273	\$ 37,261	\$ 49,105,096	\$ 19,339,916	\$ 15,474,246	\$ 3,865,670

Raffles and Lotteries

Permittee	9,267,579	\$ 26,738	\$ 3,376,196	5,864,645	\$ 678,724	\$ 5,185,921
MBP	38,496	0	28,920	9,576	0	9,576
Operator ⁽⁴⁾	615,390	916	374,452	240,022	211,552	28,470
Total	\$ 9,921,465	\$ 27,654	\$ 3,779,568	\$ 6,114,243	\$ 890,276	\$ 5,223,967

(1) Based on 975 permittee annual reports, 27 operator annual reports, 15 MBP annual reports filed with the division as of 4/22/2013.

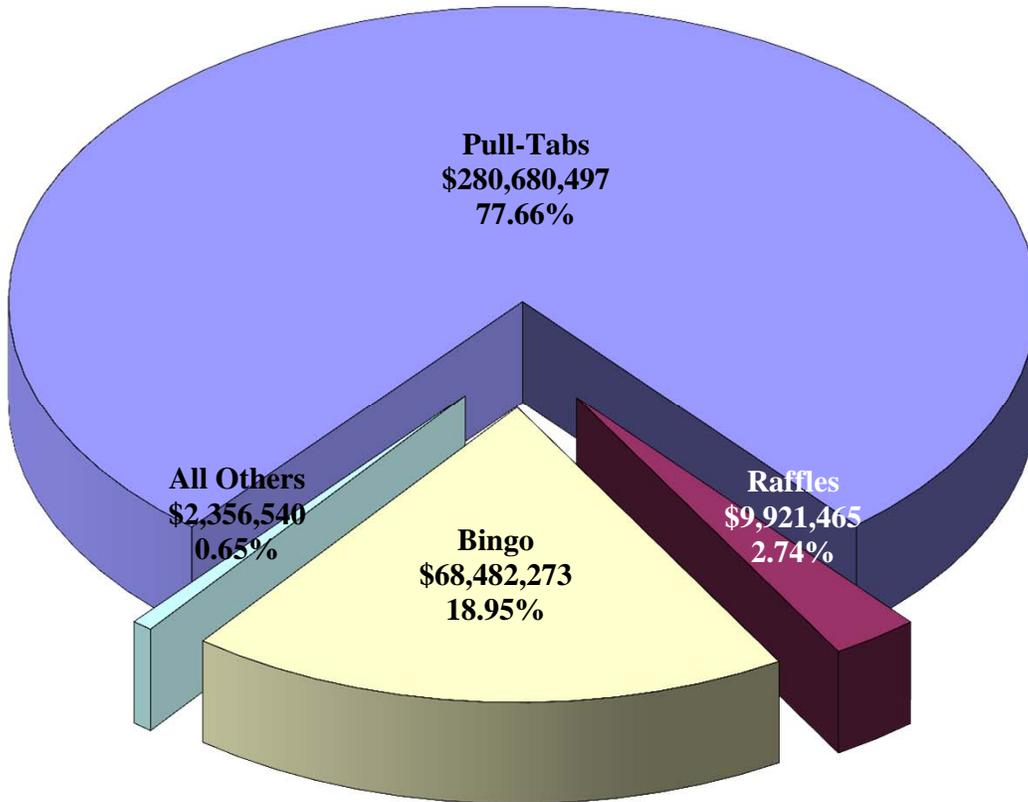
(2) Reported taxes should include only the federal excise tax and municipal sales taxes on gross receipts.

(3) Total Expenses as reported, by permittees, operators and MBPs, prior to any limitations, except for operator fees.

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

(5) MBP Pull-Tab sales include those sold at vendor locations.

Table 6
2010 Gross Receipts by Game Type⁽¹⁾
Percentage of Gross Receipts



Total Gross Receipts: \$361,440,775

(1) Based on 975 permittee annual reports, 27 operator annual reports, 15 MBP annual reports filed with the division as of 4/22/2013.

Tables 7(a) & (b)

7(a) 2010 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	\$ 127,258,559	\$ 407,165	\$ 100,705,580	\$ 26,145,814	\$ 15,798,328	\$ 10,347,486
Bingo	22,990,947	37,261	16,747,281	6,206,405	4,684,845	1,521,560
Raffle or Lottery	9,267,579	26,738	3,376,196	5,864,645	678,724	5,185,921
Fish Derby	1,010,959	158	500,514	510,287	292,288	217,999
Ice Classic	594,382	0	282,298	312,084	280,527	31,557
Contest of Skill	342,318	703	294,448	47,167	164,651	(117,484)
Calcutta Pool	74,782	0	47,468	27,314	8,051	19,263
Dog Musher Contest	30,447	0	16,040	14,407	9,903	4,504
Snow Machine Classic	0	0	0	0	0	0
Animal Classic	19,295	615	0	18,680	4,179	14,501
Sale of Equipment	0	0	0	0	2,086	(2,086)
Canned Salmon Classic	0	0	0	0	0	0
Race Classic	0	0	0	0	0	0
Salmon Classic	3,853	0	2,210	1,643	1,558	85
Rain Classic	0	0	360	(360)	0	(360)
Goose Classic	0	0	0	0	0	0
Deep Freeze Classic	0	0	0	0	0	0
Total	\$ 161,593,121	\$ 472,640	\$ 121,972,395	\$ 39,148,086	\$ 21,925,140	\$ 17,222,946
	% of Gross Receipts	0.29%	75.48%		13.57%	10.66%

7(b) 2010 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	\$ 35,324,648	\$ 262,062	\$ 27,921,484	\$ 7,141,102	\$ 3,827,965	\$ 3,313,137
	% of Gross Receipts	0.74%	79.04%		10.84%	9.38%

(1) Based on 975 permittee annual reports filed with the division as of 4/22/2013.

(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) 2010 Operator Activity by Game Type ⁽¹⁾

	<u>Pull-Tab</u>	<u>Bingo</u>	<u>Raffle</u>	<u>Animal Classic</u>	<u>Fish Derby</u>	<u>Total</u>
Gross Receipts	68,036,114.00	14,586,742.00	615,390.00	171,849.00	108,655.00	83,518,750.00
Taxes ⁽²⁾	211,105.00	0.00	916.00	0.00	0.00	212,021.00
Prizes	53,242,185.00	10,192,924.00	374,452.00	113,852.00	90,308.00	64,013,721.00
Adjusted Gross Income	14,582,824.00	4,393,818.00	240,022.00	57,997.00	18,347.00	19,293,008.00
Expenses	10,128,183.00	3,854,881.00	211,552.00	52,200.00	16,350.00	14,263,166.00
Net Proceeds	\$ 4,454,641	\$ 538,937	\$ 28,470	\$ 5,797	\$ 1,997	\$ 5,029,842

8(b) Breakdown of Expenses ⁽³⁾

	<u>Pull-Tab</u>	<u>Bingo</u>	<u>Raffle</u>	<u>Animal Classic</u>	<u>Fish Derby</u>	<u>Total</u>
Rental of Facility	1,212,165	607,372.00	20,928.00	3,099.00	6,000.00	1,849,564.00
Other Facility Costs	271,553	160,077.00	6,267.00	1,544.00	-0-	439,441.00
Contract / Pro. Services	538,066	149,163.00	35,184.00	3,069.00	1,060.00	726,542.00
Accounting	206,432	71,718.00	8,014.00	793.00	-0-	286,957.00
Wages	2,455,648	931,333.00	109,086.00	12,190.00	-0-	3,508,257.00
Payroll Taxes	229,876	92,159.00	7,748.00	1,039.00	-0-	330,822.00
Operator Fee ⁽⁴⁾	2,713,917	880,662.00	-17,911.00	29,079.00	9,000.00	3,614,747.00
Cost of Pull-tab Games	1,681,214	-0-	-0-	-0-	-0-	1,681,214.00
Pull-Tab Tax Paid	455,555	-0-	-0-	-0-	-0-	455,555.00
Cost of Bingo Cards	-0-	567,052.00	-0-	-0-	-0-	567,052.00
Advertising	23,172	17,877.00	13,014.00	363.00	-0-	54,426.00
Equipment Purchases	394	25,727.00	-0-	-0-	-0-	26,121.00
Other Expenses ⁽⁵⁾	301,213	173,728.00	29,222.00	1,024.00	290.00	505,477.00
Door Prizes	38,978	178,013.00	-0-	-0-	-0-	216,991.00
Total Expenses	\$ 10,128,183	\$ 3,854,881	\$ 211,552	\$ 52,200	\$ 16,350	\$ 14,263,166

(1) Based on 27 operator annual reports filed with the division as of 4/22/2013.

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

(3) Total Expenses as reported, 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.

Tables 9(a) & (b)

9(a) 2010 Multiple-Beneficiary Permittee Activity by Game Type ⁽¹⁾

	<u>Pull-Tab</u> ⁽⁵⁾	<u>Bingo</u>	<u>Raffle</u>	<u>Total</u>
Gross Receipts	50,061,176.00	30,904,584.00	38,496.00	81,004,256.00
Taxes ⁽²⁾	46,260	0	0	46,260
Prizes	<u>39,650,268</u>	<u>22,164,891</u>	<u>28,920</u>	<u>61,844,079</u>
Adjusted Gross Income	10,364,648	8,739,693	9,576	19,113,917
Expenses ⁽³⁾	<u>6,216,055</u>	<u>6,934,520</u>	<u>0</u>	<u>13,150,575</u>
Net Proceeds	<u>\$ 4,148,593</u>	<u>\$ 1,805,173</u>	<u>\$ 9,576</u>	<u>\$ 5,963,342</u>

9(b) Expense Detail ⁽³⁾

	<u>Pull-Tab</u> ⁽⁵⁾	<u>Bingo</u>	<u>Raffle</u>	<u>Total</u>
Rental of Facility	\$ 693,353	\$ 837,410	0	\$ 1,530,763
Other Facility Costs	304,531	556,712	0	861,243
Contract / Pro. Services	146,746	192,133	0	338,879
Accounting	112,411	84,918	0	197,329
Wages	2,262,980	2,292,892	0	4,555,872
Payroll Taxes	228,626	231,834	0	460,460
Vendor Expenses	81,331		0	81,331
Cost of Games	1,291,541	944,637	0	2,236,178
Pull-Tab Tax Paid	341,692		0	341,692
Advertising	62,449	62,859	0	125,308
Equipment Purchases	6,039	137,104	0	143,143
Other Expenses	413,714	703,663	0	1,117,377
Door Prizes	<u>270,642</u>	<u>890,358</u>	<u>0</u>	<u>1,161,000</u>
Total Expenses	<u>\$ 6,216,055</u>	<u>\$ 6,934,520</u>	<u>\$ -</u>	<u>\$ 13,150,575</u>

(1) Based on 15 MBP annual reports filed with the division as of 4/22/2013. Reported Pull-Tab activity includes vendor sales on behalf of two MBPs.

(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.

(5) These figures include MBP Vendor activities.

Tables 10 (a) & (b)

10(a) 2010 Permittee Self-Directed Activity⁽¹⁾

	<u>Amount</u>	<u>% Gross Receipts</u>
Gross Receipts	\$ 161,593,121	
Taxes ⁽²⁾	472,640	0.29%
Prizes	<u>121,972,395</u>	75.48%
Adjusted Gross Income	39,148,086	
Expenses	<u>21,925,140</u>	13.57%
Net Proceeds	<u>\$ 17,222,946</u>	10.66%
		100.00%

10(b) Expense Detail⁽³⁾

	<u>Amount</u>	<u>% Expenses</u>
Rental of Facility	\$ 1,747,245	7.97%
Other Facility Costs	1,256,921	5.73%
Contract / Pro. Services	434,790	1.98%
Accounting	696,672	3.18%
Wages	7,978,416	36.39%
Payroll Taxes	1,095,684	5.00%
Cost of Pull-tab Games	4,061,827	18.53%
Pull-Tab Tax Paid	724,793	3.30%
Cost of Bingo Cards	471,775	2.15%
Advertising	187,654	0.86%
Equipment Purchases	342,138	1.56%
Other Expenses ⁽⁴⁾	2,510,125	11.45%
Door Prizes	357,419	1.63%
Depreciation	<u>59,681</u>	0.27%
Total Expenses	<u>\$ 21,925,140</u>	100.00%

(1) Based on 975 permittee annual reports filed with the division as of 4/22/2013.

(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) 2010 Operator Activity ⁽¹⁾

	<u>Amount</u>	<u>% Gross Receipts</u>
Gross Receipts	\$ 83,518,750	
Taxes ⁽²⁾	212,021	0.25%
Prizes	<u>64,013,721</u>	76.65%
Adjusted Gross Income	19,293,008	
Expenses	<u>14,263,166</u>	17.08%
Net Proceeds	<u>\$ 5,029,842</u>	6.02%
		100.00%

11(b) Expense Detail ⁽³⁾

	<u>Amount</u>	<u>% Expenses</u>
Rental of Facility	\$ 1,849,564	12.97%
Other Facility Costs	439,441	3.08%
Contract / Pro. Services	726,542	5.09%
Accounting	286,957	2.01%
Wages	3,508,257	24.60%
Payroll Taxes	330,822	2.32%
Operator Fee ⁽⁴⁾	3,614,747	25.34%
Cost of Games	2,248,266	15.76%
Pull-Tab Tax Paid	455,555	3.20%
Advertising	54,426	0.38%
Equipment Purchases	26,121	0.18%
Other Expenses ⁽⁵⁾	505,477	3.55%
Door Prizes	<u>216,991</u>	1.52%
Total Expenses	<u>\$ 14,263,166</u>	100.00%

(1) Based on 27 operator 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 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.

Tables 12(a) & (b)**12(a) 2010 Multiple-Beneficiary Permittee Activity ⁽¹⁾**

	<u>Amount</u>	<u>% Gross Receipts</u>
Gross Receipts	\$ 81,004,256	
Taxes ⁽²⁾	46,260	0.06%
Prizes	<u>61,844,079</u>	76.35%
Adjusted Gross Income	19,113,917	
Expenses	<u>13,150,575</u>	16.23%
Net Proceeds	<u><u>\$ 5,963,342</u></u>	7.36%
		100.00%

12(b) Expense Detail ⁽³⁾

	<u>Amount</u>	<u>% Expenses</u>
Rental of Facility	\$ 1,530,763	11.64%
Other Facility Costs	861,243	6.55%
Contract / Pro. Services	338,879	2.58%
Accounting	197,329	1.50%
Wages	4,555,872	34.64%
Payroll Taxes	460,460	3.50%
Cost of Games	2,236,178	17.00%
Pull-Tab Tax Paid	341,692	2.60%
Vendor Compensation	81,331	0.62%
Advertising	125,308	0.95%
Equipment Purchases ⁽⁴⁾	143,143	1.09%
Other Expenses	1,117,377	8.50%
Door Prizes	<u>1,161,000</u>	8.83%
Total Expenses	<u><u>\$ 13,150,575</u></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, permittee fees, printing, shipping, supplies, travel and miscellaneous.

Table 13
2010 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	90,101,429.00	127,899.00	67,801,889.00	22,171,641.00	14,540,843.00	7,630,798.00
Civic or Service	59,871,734	156,397	44,820,647	14,894,690	9,134,228	5,760,462
Educational	54,382,424	157,313	41,697,196	12,527,915	8,057,740	4,470,175
IRA/Native Village	40,533,811	107,139	30,777,731	9,648,941	5,975,598	3,673,343
Veterans	29,736,302	231,514	23,882,737	5,622,051	3,291,106	2,330,945
Municipality	25,499,406	15,596	19,356,439	6,127,371	3,727,721	2,399,650
Fraternal	22,820,391	80,229	17,854,329	4,885,833	2,851,627	2,034,206
Nonprofit Trade Assn	13,732,375	72,122	10,803,860	2,856,393	1,756,503	1,099,890
Religious	7,436,961	2,721	5,448,743	1,985,497	1,214,961	770,536
Police or Fire Dept	7,226,609	22,193	5,742,278	1,462,138	987,511	474,627
Dog Musers' Assn	7,151,440	14,540	5,535,845	1,601,055	1,175,284	425,771
Labor	1,904,365	3,944	1,387,083	513,338	280,906	232,432
Political	751,809	1,376	519,130	231,303	122,305	108,998
Fishing Derby Assn	291,719	0	123,772	167,947	50,513	117,434
Total	<u>\$ 361,440,775</u>	<u>\$ 992,983</u>	<u>\$ 275,751,679</u>	<u>\$ 84,696,113</u>	<u>\$ 53,166,846</u>	<u>\$ 31,529,267</u>

(1) Based on 975 permittee annual reports, 27 operator annual reports, 15 MBP annual reports filed with the division as of 4/22/2013.

(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.

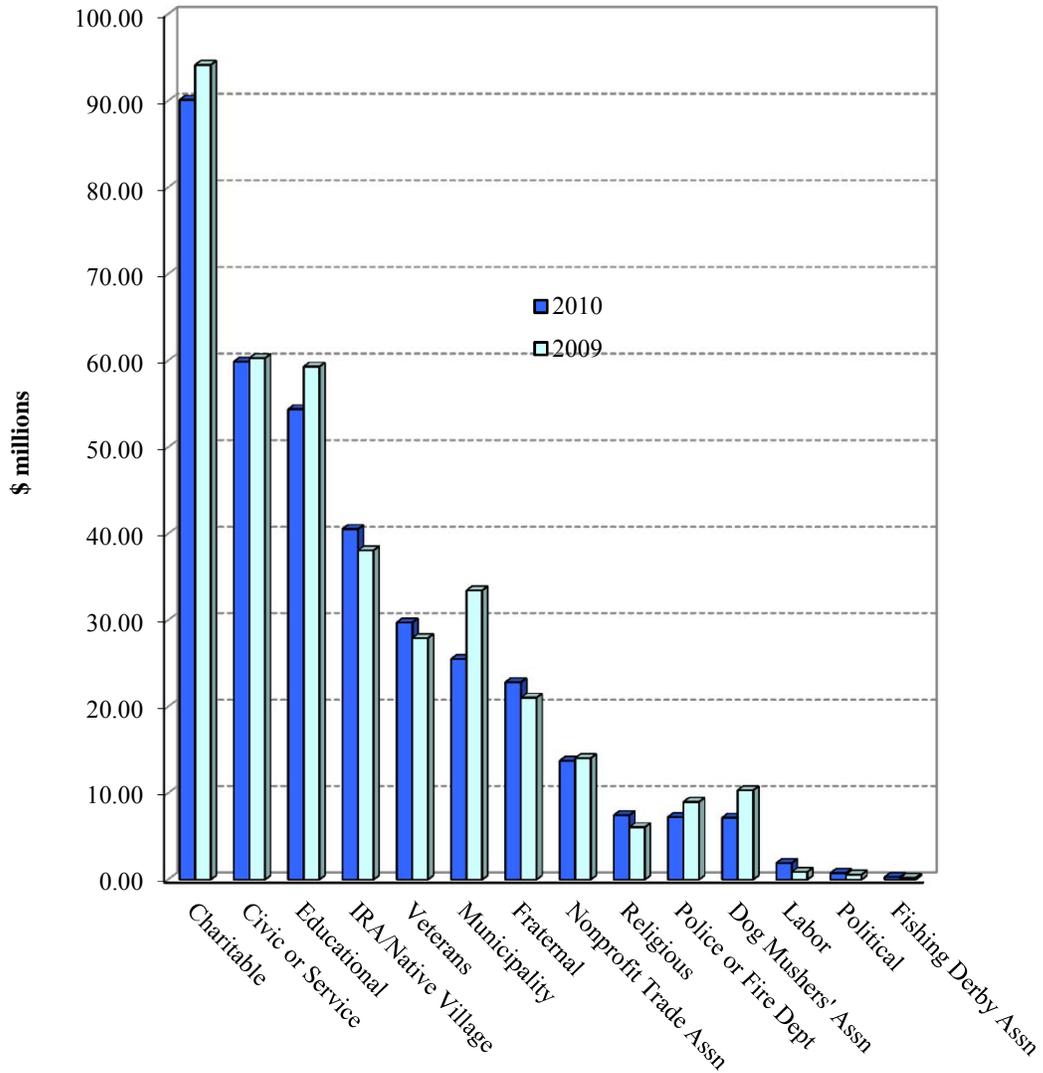
Table 14
Gross Receipts from Gaming by Organization Type

<u>Organization Type</u>	<u>2010</u> ⁽¹⁾		<u>2009</u> ⁽²⁾
	Gross Receipts		Gross Receipts
Charitable	\$ 90,101,429	Charitable	\$ 94,132,943
Civic or Service	59,871,734	Civic or Service	60,282,962
Educational	54,382,424	Educational	59,297,239
IRA/Native Village	40,533,811	IRA/Native Village	38,075,728
Veterans	29,736,302	Municipality	33,449,815
Municipality	25,499,406	Veterans	27,920,004
Fraternal	22,820,391	Fraternal	21,032,660
Nonprofit Trade Association	13,732,375	Nonprofit Trade Association	14,035,376
Religious	7,436,961	Dog Musers' Association	10,326,724
Police or Fire Dept	7,226,609	Police or Fire Dept	8,985,399
Dog Musers' Association	7,151,440	Religious	6,053,725
Labor	1,904,365	Labor	885,865
Political	751,809	Political	561,541
Fishing Derby Association	<u>291,719</u>	Fishing Derby Association	<u>199,011</u>
Total	<u><u>\$ 361,440,775</u></u>	Total	<u><u>\$ 375,238,992</u></u>

(1) Based on 975 permittee annual reports, 27 operator annual reports, 15 MBP annual reports filed with the division.

(2) Based on 1,029 permittee annual reports, 26 operator annual reports, 16 MBP annual reports filed with the division as of 5/24/2012.

Table 15
Gross Receipts by Organization Type



Gross Receipts
2010 - \$361,440,775
2009 - \$375,238,992

Tables 16(a) & (b)**16(a) Licensed Operators**

	<u>2010</u>	<u>2009</u>	<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>
Anchorage	9	8	8	10	9	7	4	5	7	7	8
Bethel	1	1	1	1	1	1	1	1	1	1	1
Craig	3	2	2	2	2	2	2	3	3	3	3
Eagle River	1	1	1	0	0	0	0	0	0	0	0
Fairbanks	5	4	6	6	6	5	5	6	7	6	4
Juneau	1	1	1	1	1	1	1	2	1	1	1
Ketchikan	4	4	4	4	4	4	4	5	5	5	4
Nome	1	1	1	1	1	1	2	2	2	2	2
North Pole	0	1	0	0	0	0	1	1	0	0	1
Palmer	1	1	1	2	1	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	0	0
Wasilla	1	1	2	1	1	1	1	1	0	0	0
Total	<u>28</u>	<u>26</u>	<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>

16(b) Licensed Distributors

	<u>2010</u>	<u>2009</u>	<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>
Anchorage	3	3	3	3	2	2	3	4	3	3	5
Fairbanks	1	1	2	3	4	4	3	3	4	4	2
Juneau	1	1	2	2	2	2	3	2	2	2	2
Ketchikan	2	2	2	2	1	1	1	1	1	1	1
Kodiak	0	0	0	0	0	0	0	0	0	0	0
Sitka	1	1	1	1	1	1	1	1	1	1	1
Soldotna	1	1	1	1	1	1	1	1	1	1	1
Kent	1	1	1	1	0	0	0	0	0	0	0
Total	<u>10</u>	<u>10</u>	<u>12</u>	<u>13</u>	<u>11</u>	<u>11</u>	<u>12</u>	<u>12</u>	<u>12</u>	<u>12</u>	<u>12</u>

Tables 17(a) & (b)
17(a) 2010 Registered Vendor Locations

<u>City</u>	<u>Vendors</u>	<u>City</u>	<u>Vendors</u>
Anchor Point	1	King Salmon	1
Anchorage	44	Kodiak	2
Big Lake	5	Manley Hot Springs	1
Cantwell	1	Meiers Lake	1
Chitina	1	Moose Creek	1
Chugiak	2	Naknek	3
Clam Gulch	2	Nenana	3
Clear	1	Nikiski	2
Cooper Landing	-	Ninilchik	1
Copper Center	3	Nome	8
Cordova	2	North Pole	4
Craig	1	Northway	-
Delta Junction	2	Palmer	5
Dutch Harbor	2	Petersburg	1
Eagle River	2	Salcha	2
Ester	1	Seldovia	1
Fairbanks	32	Seward	5
Galena	1	Sitka	4
Glennallen	-	Soldotna	9
Haines	5	Sterling	2
Healy	1	Talkeetna	3
Homer	7	Tok	3
Hoonah	1	Trapper Creek	-
Houston	2	Unalaska	-
Indian	1	Valdez	6
Juneau	10	Wasilla	11
Kasilof	-	Whittier	1
Kenai	8	Willow	3
Ketchikan	6	Wrangell	3
King Cove	<u>1</u>	Yakutat	<u>3</u>
	145		89

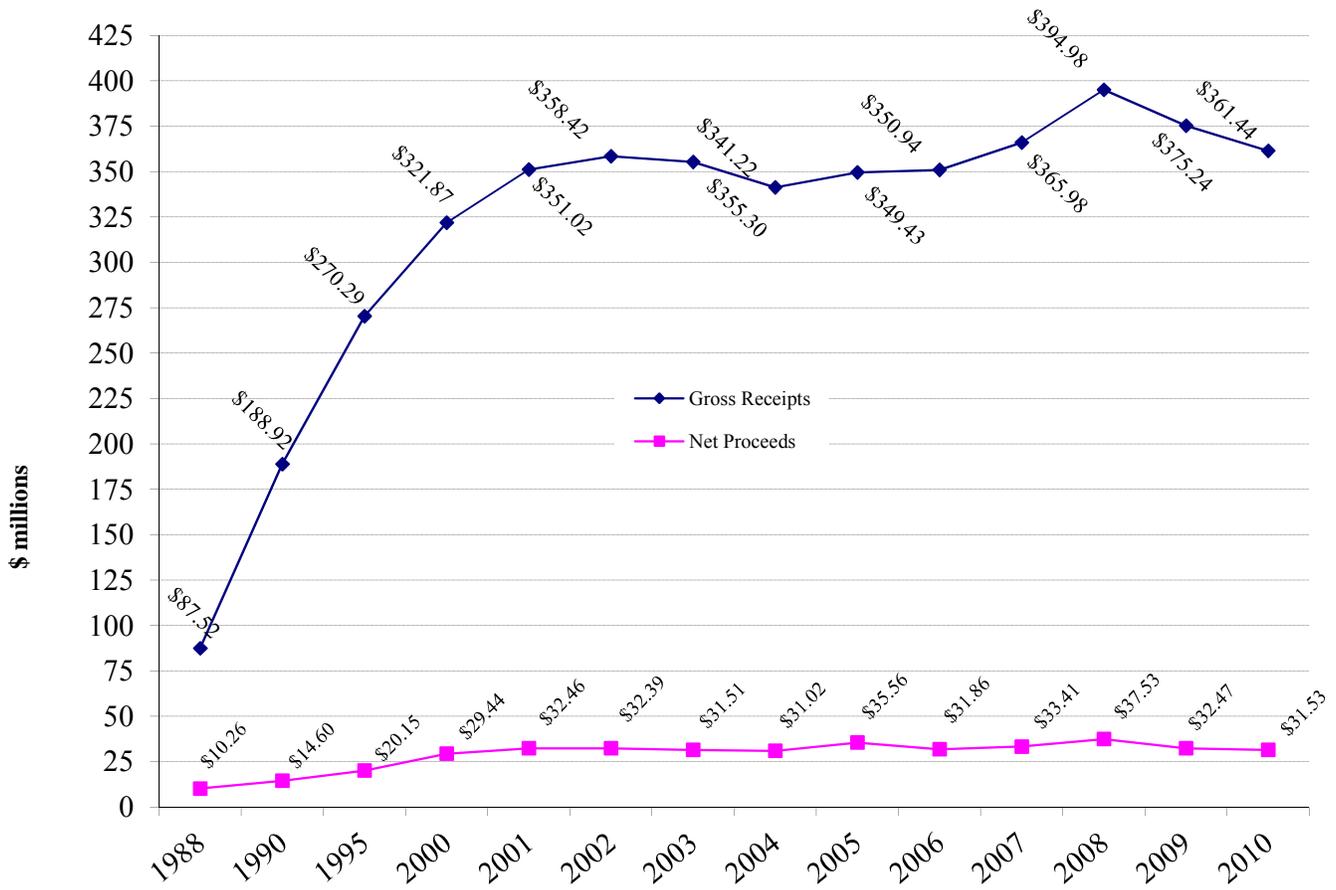
Total Vendors in 2010 **234**

Total Vendors in 2009 **226**

17(b) Multiple-Beneficiary Permits Issued

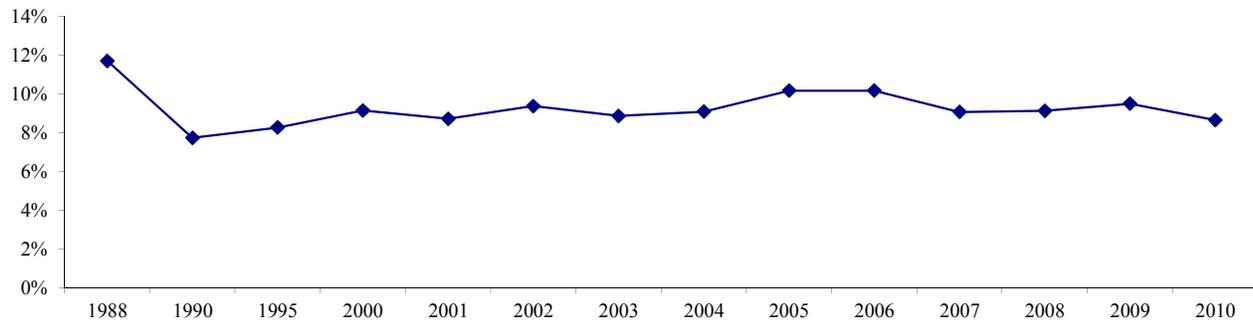
<u>City</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Anchorage	4	5	5	5	4	6	6
Douglas	1	1	1	1	1	1	1
Fairbanks	4	4	3	3	3	2	2
Homer	0	0	0	0	0	0	1
Juneau	1	1	1	1	2	2	2
Kenai	1	1	1	2	2	3	2
Kodiak	3	3	3	2	2	2	2
Soldotna	1	1	1	1	1	0	1
Wasilla	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>1</u>	<u>0</u>	<u>0</u>
Total MBPs	<u><u>15</u></u>	<u><u>16</u></u>	<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>

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



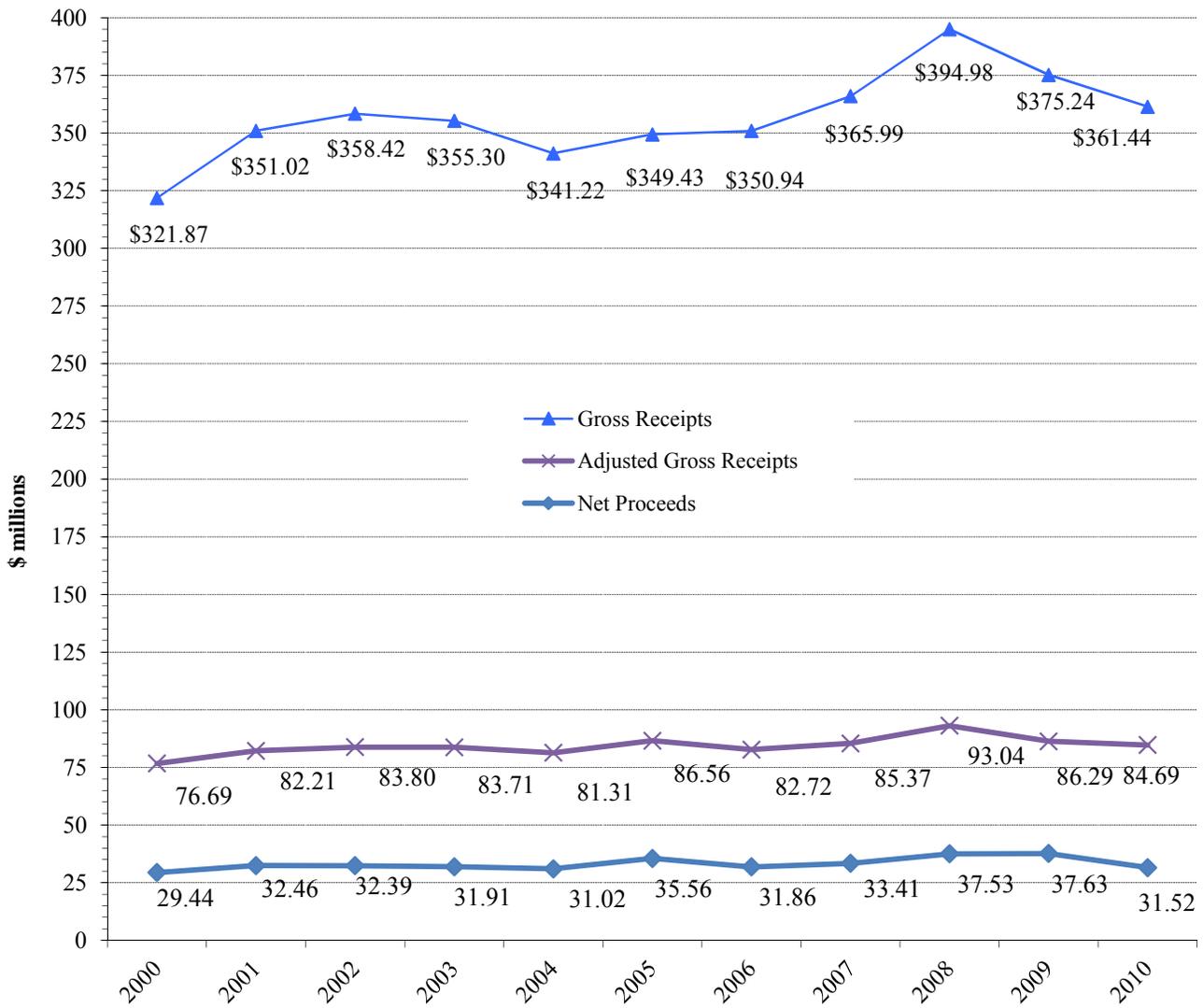
Pull-Tabs were legalized in 1988.

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 Gross Receipts and Adjusted Gross Income

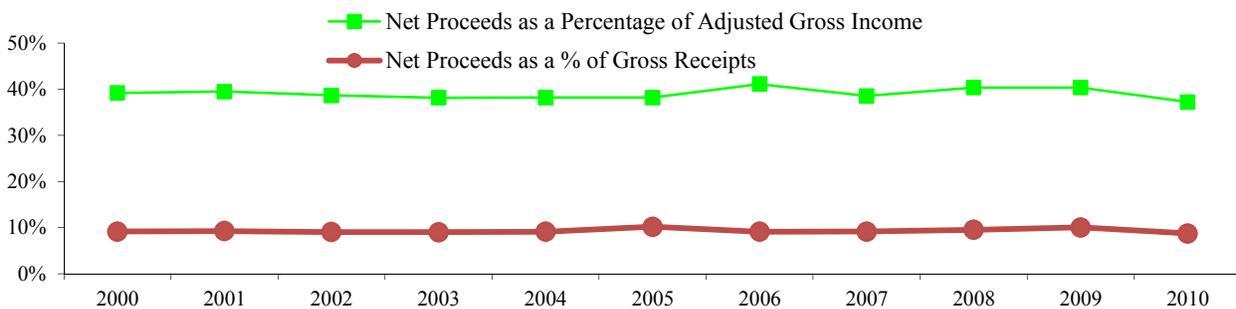


Table 20
Annual Gross Receipts, Prizes, Expenses, Taxes and Net Proceeds

