

HOUSE BILL NO. 169

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-THIRD LEGISLATURE - FIRST SESSION

BY THE HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

Introduced: 3/5/03

Referred: Labor and Commerce, Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act increasing the amount of revenue received by the state from charitable gaming**
2 **activities; and providing for an effective date."**

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 *** Section 1.** AS 05.15.128(a) is amended to read:

5 (a) The department shall revoke the license of an operator who does not

6 (1) report an adjusted gross income of at least 15 percent of gross
7 income annually based on the total operation of the operator; [OR]

8 (2) pay to each authorizing permittee annually at least 35 [30] percent
9 of the adjusted gross income, as determined under (1) of this subsection, from a pull-
10 tab activity or at least 10 percent of the adjusted gross income, as determined under (1)
11 of this subsection, from a gaming activity other than pull-tabs, received from activities
12 conducted on behalf of the authorizing permittee; **or**

13 **(3) pay the tax imposed under AS 05.15.184.**

14 *** Sec. 2.** AS 05.15.160(c) is amended to read:

1 (c) The total amount of authorized expenses that may be incurred under (a) of
 2 this section in connection with a pull-tab activity **not conducted by an operator** may
 3 not exceed 70 percent of the adjusted gross income from that pull-tab activity.

4 * **Sec. 3.** AS 05.15.160 is amended by adding a new subsection to read:

5 (e) The total amount of authorized expenses that may be incurred under (a) of
 6 this section in connection with a pull-tab activity conducted by an operator may not
 7 exceed 65 percent of the adjusted gross income from that pull-tab activity.

8 * **Sec. 4.** AS 05.15.184 is amended to read:

9 **Sec. 05.15.184. Pull-tab tax.** A pull-tab distributor shall collect a tax of **five**
 10 [THREE] percent of an amount equal to the **ideal** gross **of** [RECEIPTS LESS PRIZES
 11 AWARDED ON] each series of pull-tabs distributed. The pull-tab distributor shall
 12 pay to the department the tax collected in the preceding month at the time that the
 13 report under AS 05.15.183(d) is filed with the department.

14 * **Sec. 5.** AS 05.15.188(h) is amended to read:

15 (h) If a permittee contracts with a vendor under (a) of this section, the contract
 16 must provide that the permittee shall receive no less than **75** [70] percent of the ideal
 17 net.

18 * **Sec. 6.** AS 05.15.690 is amended by adding a new paragraph to read:

19 (46) "ideal gross" means an amount equal to the total amount of
 20 receipts that would be received if every individual pull-tab ticket in a series were sold
 21 at face value.

22 * **Sec. 7.** The uncodified law of the State of Alaska is amended by adding a new section to
 23 read:

24 TRANSITION: REGULATIONS. Notwithstanding sec. 9 of this Act, the
 25 Department of Revenue may proceed to adopt regulations necessary to implement the changes
 26 made by this Act. The regulations take effect under AS 44.62 (Administrative Procedure
 27 Act), but not before the effective date of secs. 1 - 6 of this Act.

28 * **Sec. 8.** Notwithstanding sec. 9 of this Act, sec. 7 of this Act takes effect immediately
 29 under AS 01.10.070(c).

30 * **Sec. 9.** Except as provided in sec. 8 of this Act, this Act takes effect July 1, 2003.