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September 2, 2010

Charitable Gaming Association of North Dakota Rusty Steffan, President 3120 25th Street Southwest Box 324 Fargo, North Dakota 58103

The Honorable Chris Griffin House of Representatives State Capitol Bismarck, North Dakota

Dear Chairman Griffin,

The Judiciary Committee will soon be considering a bill draft that would provide tax relief and reform to the charitable gaming industry. We are writing to express our support for this bill. Specifically, CGAND supports law changes that would provide a flat tax rate of one percent (1%) on gross proceeds and increase allowable expenses to sixty percent (60%).

The rate of one percent (1%) is very significant for our industry because it provides relief for all sizes of organizations. As the tax is on gross proceeds, rates above one percent (1%) begin to produce "winners" and "losers" as organizations who generate their largest revenues from bingo and pulltabs will experience marked relief while organizations for which blackjack is the primary revenue generator will actually end up paying more in taxes than they do under the current structure.

On behalf of all of our organizations and the people we support, thank you for your time and efforts on this issue.

Thank you for your service.

Sincerely yours

Rusty Steffan President