



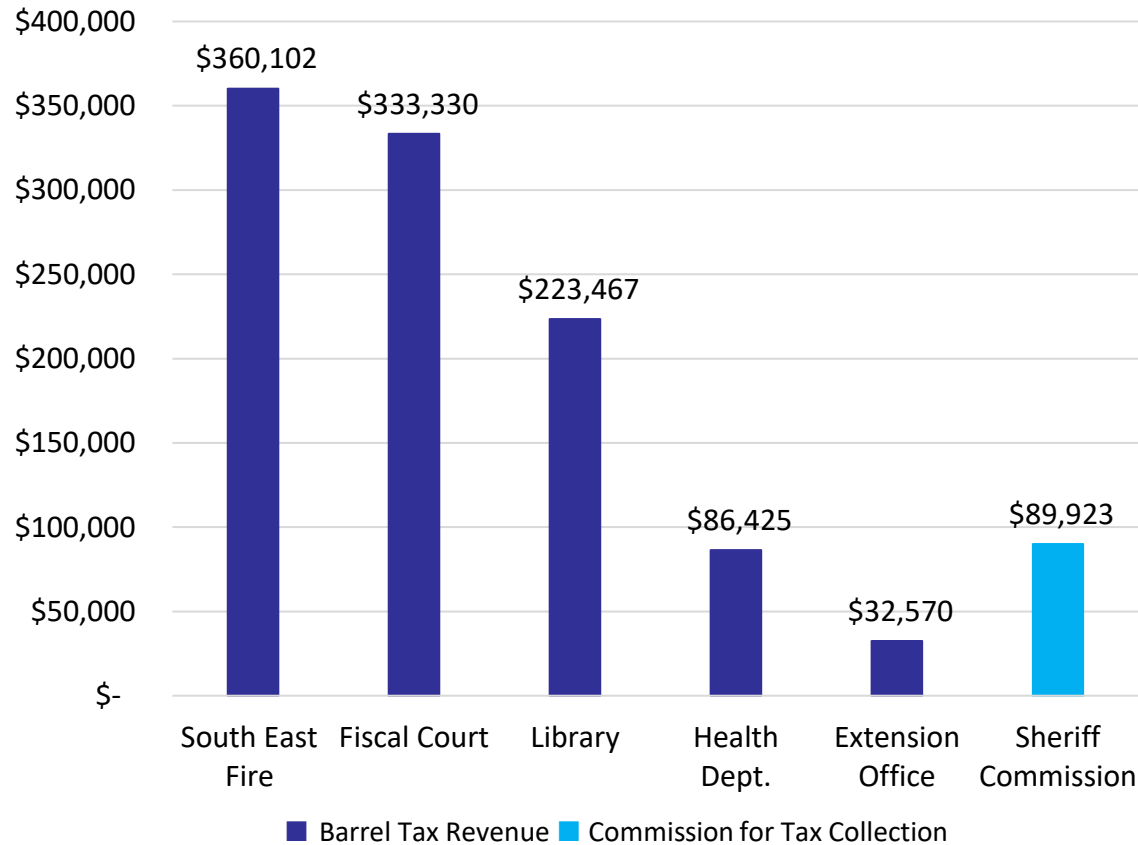
AN ACT relating to disaster relief, making an appropriation therefor, and declaring an emergency,

Barrel Tax: Impact on Bullitt County

Bourbon Barrel Taxation Task Force
September 1, 2022

Bullitt County Revenue Impact

2021 Bullitt County Barrel Tax Revenue (excludes school districts)



- Impact to fiscal court and taxing districts: **\$1 million**
- Impact to Bullitt County Sheriff: **\$89,923**
- Impact to schools: **\$2.6 million**
- Fiscal court barrel tax revenue (\$330,330) does not cover county expenses related to distillery growth.
 - *In 2021, the county spent over \$350,000 repairing roads damaged by construction of bourbon warehouses.*
- **Bullitt County barrel tax revenue is expected to double by 2026.**

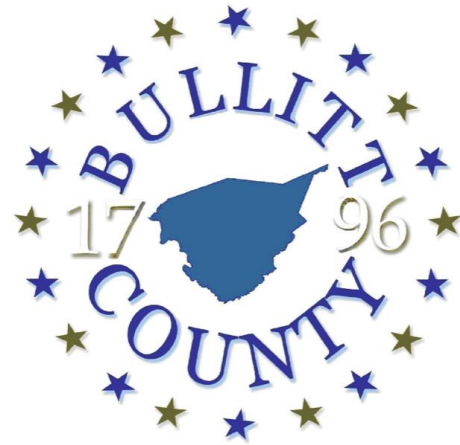
County Investments: Industrial Revenue Bonds

- **Counties have provided financial incentives to distilleries by issuing \$2.5 billion in IRBs since 2012.**
- Counties issued IRBs to provide property tax exemptions to distilleries based on the expectation of future revenue growth from the barrel tax.

County	Distillery	Total Financial Incentive (IRB)
Bullitt	Jim Beam	\$585 million
Marion	Maker's Mark	\$682 million
Nelson	Jim Beam	\$245 million
Nelson	Heaven Hill	\$279.3 million
Nelson	Sazerac	\$28.5 million
Nelson	Bardstown Bourbon Co.	\$393.1 million
Nelson	Lux Row	\$100 million
Nelson	Log Still	\$185 million
		\$2.5 billion

Source: Kentucky Economic Development Finance Authority and interviews with County Judge/Executives.

Contact Us



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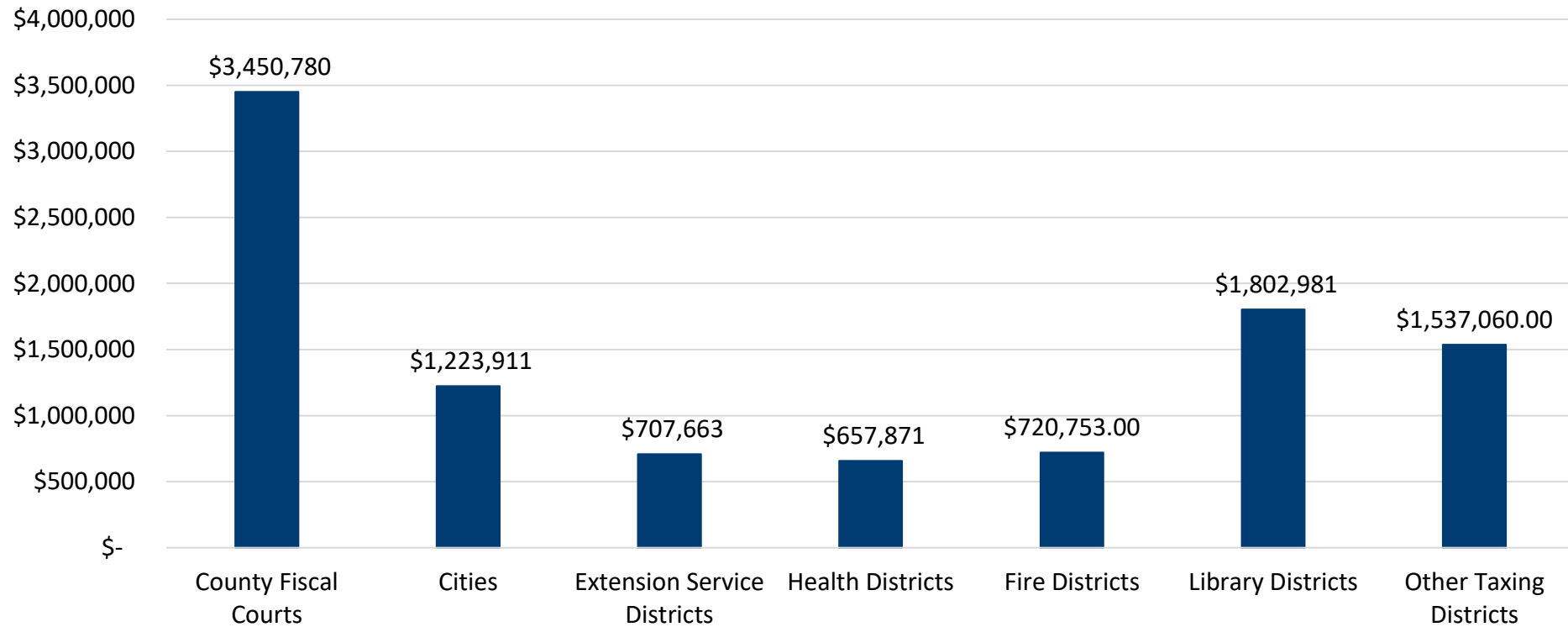
Kentucky Association of Counties

Bourbon Barrel Taxation Task Force

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Overall Impact to Counties

2021 Estimated Barrel Tax Revenue (excludes school districts)



Source: Kentucky Distillers Association

Impact on Nelson County:

12% of annual fiscal court tax revenue

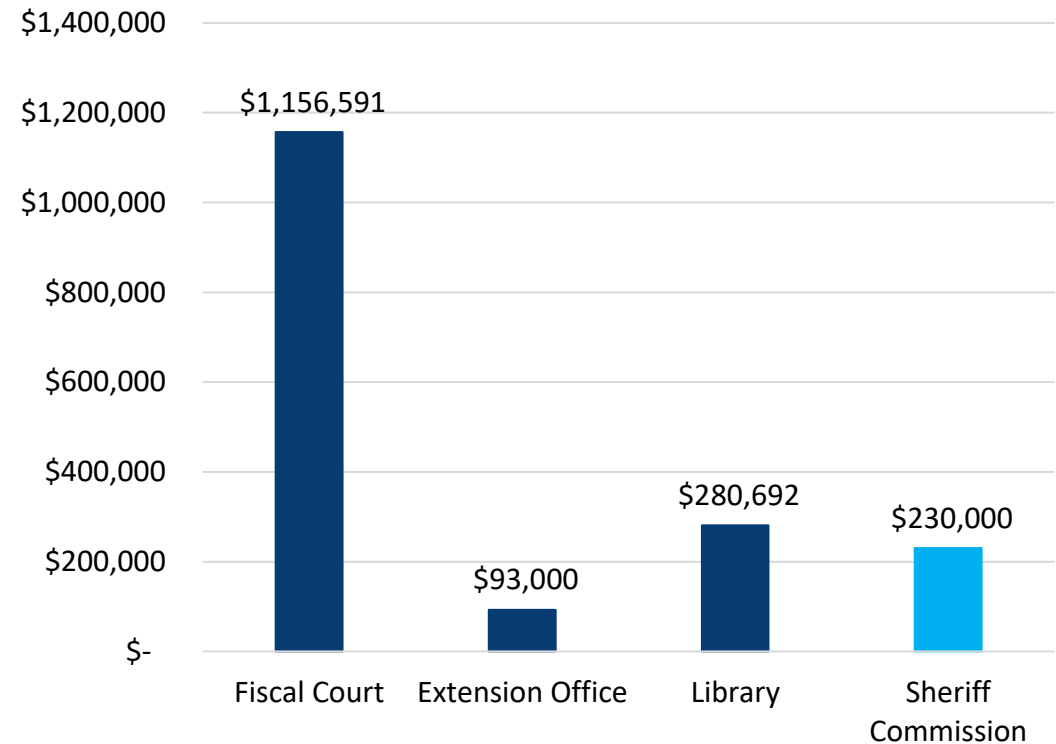
Financial Impact of Barrel Tax

- Impact to fiscal court: **\$1.1 million**
- Impact to Nelson County Sheriff: **\$230,000**
- Future revenue: expecting barrel tax revenue to increase substantially over the next 10 years – about 40 more warehouses.

Financial Incentives Provided by County

- Issued **\$1.2 billion** in IRBs– providing property tax exemptions to multiple distilleries.
- Provided discounted land.

Nelson County Barrel Tax Revenue
(excludes school districts & cities)



Source: Nelson County Fiscal Court.

Impact on Marion County:

5% of annual fiscal court tax revenue

Financial Impact of Barrel Tax

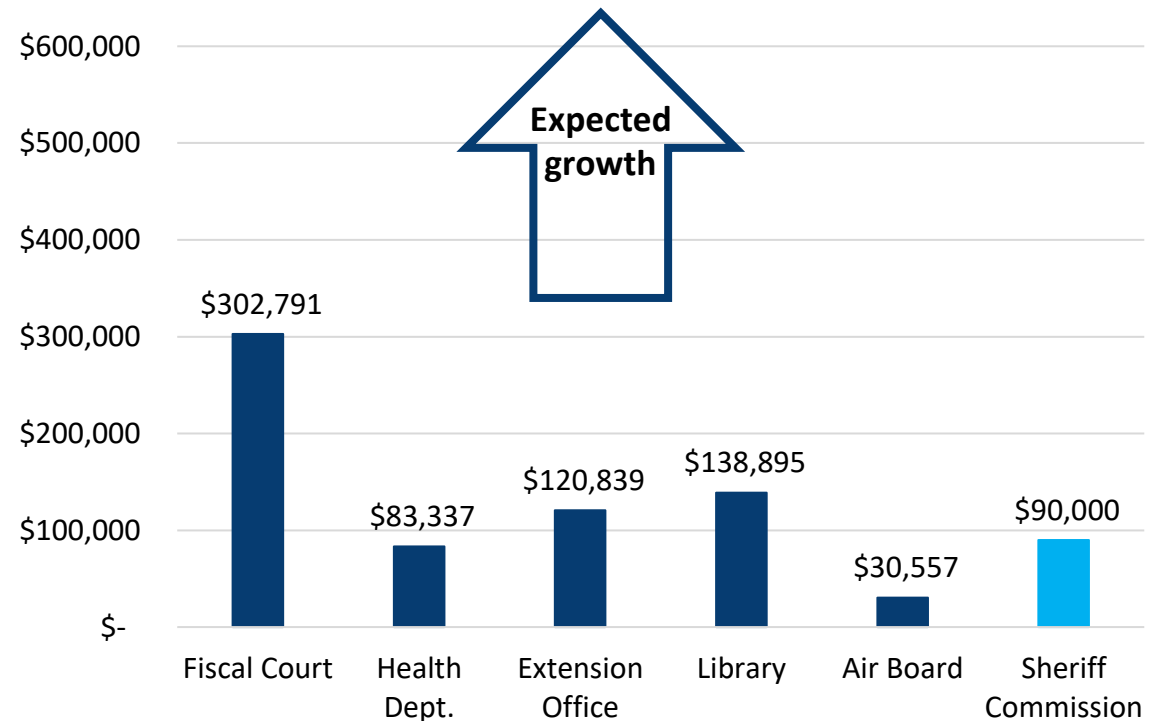
- Impact to fiscal court: **\$302,791**
- Impact to Marion County Sheriff: **\$90,000**
- Future revenue: expecting barrel tax revenue to double beginning in 2025 when barrels reach taxable age.

Financial Incentives Provided by County

- Issued **\$682 million** in IRBs – providing property tax exemptions.
- Special pricing on land, water, and other infrastructure needs.

Marion County Barrel Tax Revenue

(excludes school districts & cities)



Source: Marion County Fiscal Court

Impact on Henry County:

Receiving return on investment

Financial Impact of Barrel Tax

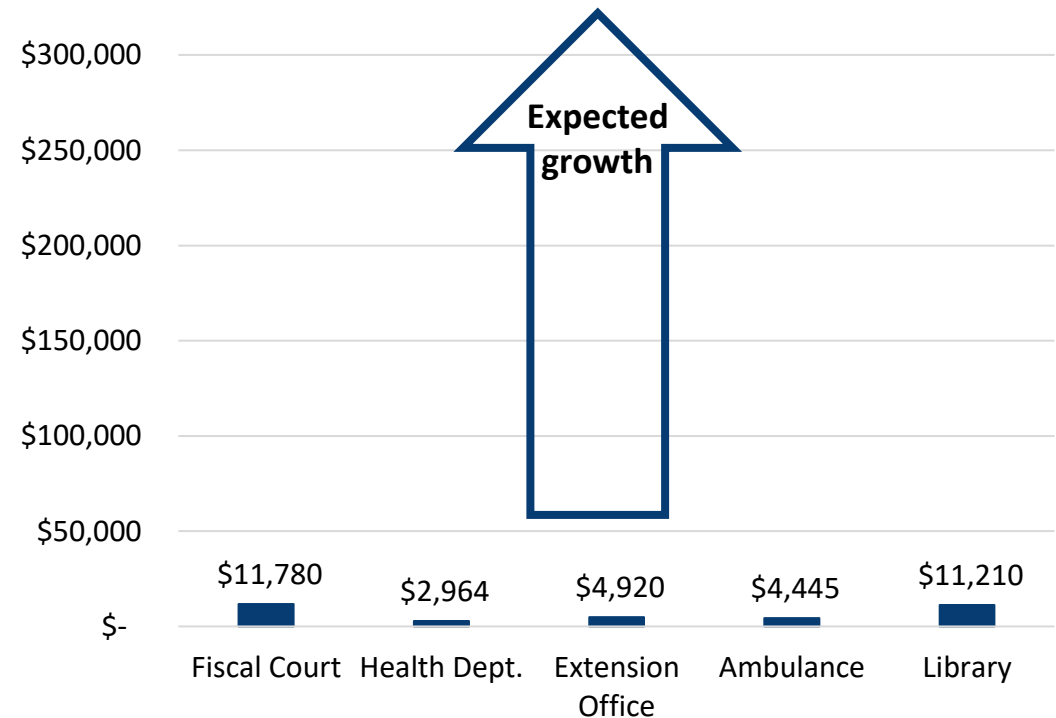
- Future Revenue: **expect over \$2.5 million in new revenue** countywide once current projects are completed— approximately \$330,000 in new revenue for the fiscal court in the next 3-5 years.
- **This would result in a 20 percent increase in fiscal court tax revenue.**

Financial Incentives Provided by County

- Sold **40 acres of the county industrial park for warehouses at a very discounted price.**
- Decision was made based on expected return on investment through the barrel tax.

Henry County Barrel Tax Revenue

(excludes school districts)



Source: Henry County Sheriff's Office



Kentucky Association of Counties

Contact Us

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