2026

BOURBON

ECONOMIC IMPACT

*Kentucky Bourbon is now a **$10.6 billion** signature industry supporting more jobs with more distilleries in more Kentucky counties than ever before.*

Distilling generates **23,935 jobs in Kentucky**, an increase of 800 jobs in the last two years despite cutbacks, with annual salaries, wages, and benefits of **$2 billion.**

Today, there is a record inventory of **17.1 million barrels** of spirits aging across the state, up 11% from the year prior, of which **16.1 million are Bourbon**.

Kentucky has **138 licensed distilleries** operated by 122 companies in **47 Kentucky counties**, the most since the Repeal of Prohibition in 1933.

The distilling industry generates **$372 million in state & local taxes**, an increase of $200 million from 10 years ago. It also pays **$2 billion** in federal alcohol excise taxes every year.

Distillers paid an all-time high of **$75 million** in taxes on aging barrels in 2025, a 163% surge in the last five years alone. Kentucky remains the only place in the world that taxes aging barrels of spirits.

The tax-assessed value of all barrels aging in Kentucky was a **record $10 billion** in 2025, up 27% from 2024.

Distillers filled **3+ million barrels** of Bourbon in 2024, down slightly from 2023 but the second straight year topping the 3 million mark.

Distillers purchased more than **27 million bushels** of Kentucky corn in 2025, 84% of which was from Kentucky farmers, a record high. That amounts to 10% of the state's total corn production.

KDA members spent **$700+ million to purchase barrels** in 2024, of which 67% were from cooperages in Kentucky.

Trade disputes continue to harm Kentucky's whiskey exports, which tumbled 15% to **$308 million** in 2025 from $363 million the year prior.

Kentucky whiskey **exports to Canada**, one of its largest export countries, were **down 43% in 2025**. Exports to the **European Union**, once Kentucky's largest export market, were **down 3%** compared to the year prior. Kentucky whiskey exports to six of its top ten countries also declined in 2025, including Australia, Japan, Spain, Germany and New Zealand.

Kentucky Bourbon has the **second-highest job multiplier** in the state behind the automobile industry, supporting farm families, cooperages, truckers and more spin-off jobs.

KDA members are in the middle of a **10-year, $3.55 billion capital investment campaign**, investing $2.1 billion since 2020 with $1.45 billion planned for the next 5 years.

Kentucky dominates the national distilling scene with **27% of both the country's spirits output and employment**, with Tennessee second at 8.4%.

The Economic and Fiscal Impacts of Kentucky's Distilling Industry | kybourbon.com/industry/impact