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## How Elon Musks Growing Empire is Fueled By Government Subsidies

Posted by timothy from the damned-if-you-don't dept.

theodp writes:

By the Los Angeles Times' reckoning, Elon Musk's Tesla Motors, SolarCity, and SpaceX together have benefited from an estimated \$4.9 billion in government support. The figure compiled by The Times, explains reporter Jerry Hirsch, comprises a variety of government incentives, including grants, tax breaks, factory construction, discounted loans and environmental credits that Tesla can sell. It also includes tax credits and rebates to buyers of solar panels and electric cars. "He definitely goes where there is government money," said an equity research analyst. "Musk and his companies' investors enjoy most of the financial upside of the government support, while taxpayers shoulder the cost," Hirsch adds. "The payoff for the public would come in the form of major pollution reductions, but only if solar panels and electric cars break through as viable mass-market products. For now, both remain niche products for mostly well-heeled customers." And as Musk moves into a new industry — battery-based home energy storage — Hirsch notes Tesla has already secured a commitment of \$126 million in California subsidies to companies developing energy storage technology.