Musk blasts Trump's 'gig beautiful bill' as threat to Tesla's future

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Elon Musk has launched a scathing critique of President Donald Trump's "Big Beautiful Bill," labeling it a "disgusting abomination" and warning of its potential to derail Tesla's growth. The legislation, which recently passed the House and awaits Senate approval, proposes significant cuts to clean energy incentives, including the phase-out of electric vehicle (EV) tax credits.

Analysts estimate that the removal of the $7,500 consumer tax credit could slash Tesla's earnings

before interest and tax by 19%, equating to a potential $1.2 billion loss.

Musk's criticism comes shortly after his departure from the Department of Government Efficiency (DOGE), where he served as a senior advisor. He argues that the bill undermines the cost-cutting efforts he championed within the administration. Despite his previous support for Trump, including a $250 million campaign donation, Musk's recent comments mark a significant rift between the two.

While the bill poses challenges for Tesla, particularly with the proposed elimination of energy tax credits affecting its energy division, it could benefit Musk's AI company, xAI, through increased federal AI spending. However, the overall impact on Musk's ventures remains mixed, with potential gains in AI offset by substantial losses in the EV and energy sectors.

The "Big Beautiful Bill" has sparked controversy beyond Musk's objections, with critics highlighting its potential to add $3.8 trillion to the national deficit over the next decade. The bill's provisions, including cuts to Medicaid and the introduction of new fees for EV and hybrid vehicles, have drawn bipartisan criticism. Despite this, the Trump administration remains steadfast in its support, aiming for the bill's enactment by July 4.