

\$68 million tax breaks may go to put Tesla plant to Austin

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An Austin-area school district is considering offering more than \$60 million in tax incentives to attract a proposed Tesla "gigafactory" to Central Texas, Tesla revealed Thursday.

The Del Valle Independent School District proposal was made public in a Tesla tax application filed Thursday with the Texas comptroller's office. The proposal would offer Tesla \$68 million in property tax breaks over 10 years to put its [new plant](#) on a 2,100-acre (85-hectare) site off Texas 130 just north of the Colorado River on the southeastern outskirts of Austin. Travis County commissioners are considering a separate tax incentive package.

The comptroller's documents state the real value of the property would average about \$600 million per year. Without the Del Valle district incentives package, Tesla would have to pay almost \$8 million in [property taxes](#) per year.

Austin is competing with Tulsa, Oklahoma, to become the city that hosts the plant that build's the Cybertruck, Tesla's planned electric pickup truck, and the Tesla Model Y sport utility vehicle. In its application with the Texas comptroller's officer, Tesla says it is considering the Travis County site and a site or sites in Oklahoma.

The proposed plant would have 4 million to 5 million square feet (370,000 to 465,000 square meters) of space and would be Tesla's biggest so far. Tesla's U.S. vehicle assembly factory in Fremont, California, employs 10,000 workers.

In its Thursday filing, Tesla said that if the Del Valle school board approves the incentive package and it proceeds with building on the Travis County [site](#), construction could start in the third quarter of this year and take two to three years to complete.

Tesla has not said when it will announce its decision.

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