

# Tesla Model Y Now More Affordable Than US Average



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*2023 Tesla Model Y*

Tesla's latest price cuts have resulted in a groundbreaking milestone for electric vehicles in the United States. The entry-level Model Y crossover is now more affordable than the average new car or truck, proving that the long-held belief that EVs are expensive is gradually being debunked.

Tesla's recent price cuts have made its electric vehicles a top choice for budget-conscious car shoppers. The entry-level Model Y crossover now has an MSRP of \$46,990, which is \$759 lower than the average cost of a new light vehicle in the US. The Model 3 has been competitively priced for some time, and its starting price has been further reduced to an impressive \$39,990, which is \$7,759 less than the average price of vehicles sold in America. With these adjustments, Tesla's EVs have become an even more appealing option for those looking for affordable, sustainable transportation.

### **A Changing Perception of EVs**

Despite its challenging start two decades ago, Tesla has made significant strides in recent years, as evidenced by the Model Y's success as the best-selling EV in the United States last year. Tesla's series of price cuts across various markets have raised concerns among competitors, who are questioning whether a full-blown price war in the EV market would ultimately be beneficial for anyone. Nonetheless, Tesla's continued

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success and dedication to affordable electric vehicles indicate a bright future for the company and the EV industry as a whole.

The fact that Tesla's Model Y is now priced below the US average for new cars or trucks marks a significant change in the perception of EVs. This development may help dispel the notion that EVs are unaffordable and limited to a wealthy few.

While Tesla's portfolio does include models priced above \$50,000, its offerings continue to attract EV enthusiasts due to their unique appeal. The Model 3, Model Y, and other Tesla vehicles are often favored over more affordable EVs such as the Chevrolet Bolt EV or the Nissan Leaf, thanks to Tesla's reputation for innovation and design.

Despite the competition, Tesla's latest price cuts have set a new standard for affordable EVs. The company's move has prompted other automakers to re-examine their own pricing strategies, with some expressing concern about a potential price war.

Ford's CEO, Jim Farley, acknowledged that "price battles are breaking out everywhere," while Renault has stated that Tesla's price cuts pose a challenge and that it is considering its own price strategy in response.