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Tesla Starts 2023 Leading the US Luxury Car Market



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In the month of January, Tesla became the luxury market leader in the United States for 2023, with 49,917 new registrations. This represents an incredible number compared to brands such as BMW (31,070 registrations) and Mercedes-Benz (23,345) and Lexus (23,082). The Texas-based automaker was able to achieve these results through the wave of discounts offered on account of the \$7,500 federal tax credit for electric vehicles and other powertrain options.



Last year, Tesla displaced BMW as the luxury leader, regardless of fuel type, and this year the carmaker started much faster. With a limited lineup of vehicles, Tesla has managed to stand out among American rivals with its fast growth, while others remain largely flat.

Registrations of new luxury vehicles by brand				
Rank	Automaker	January 2023	January 2022	Change
1	Tesla	49,917	37,128	34.0%
2	BMW	31,070	30,311	2.5%
3	Mercedes-Benz	23,345	21,748	7.3%
4	Lexus	23,082	24,721	-6.6%

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5	Audi	19,113	13,895	38.0%
6	Cadillac	13,220	9,744	36.0%
7	Acura	10,833	8,209	32.0%
8	Volvo	8,864	8,710	1.8%
9	Land Rover	7,003	6,036	16.0%
10	Lincoln	6,964	6,824	2.1%
11	Porsche	6,661	5,344	25.0%
12	Infiniti	5,182	4,735	9.4%
13	Genesis	4,996	4,273	17.0%
14	Jaguar	1,006	885	14.0%
15	Alfa Romeo	848	1,286	-34.0%
Total		212,104	183,849	15.0%

The numbers we have are one of the best sources to get a glimpse into Tesla's performance, as it doesn't break out its sales by country or region. This data serves to compare the productivity of brands with each other, but that does not mean that they are equal to the official sales figures. In January 2022, Tesla had 34% more new cars than in the same period of 2021, while BMW and Mercedes had an increase of 2.5% and 7.3%, respectively. Lexus recorded 6.6% lower sales of these vehicles in the last year.

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The Tesla Model Y, the best-selling electric crossover, received a substantial price cut in January. This discount was designed to boost sales and leverage production from the new Austin, Texas plant. Additionally, Tesla's filings benefited from federal tax credits for electric vehicles. Prior to 2021, Tesla credit limits were not eligible for tax breaks as they had already reached their 200,000 credit limit under the old rules. However, with the new legislation, there are no more limits to this.

Tesla is recognized as a luxury brand due to its high prices and technological features. However, Elon Musk said at a company event in March that the brand is working to build more affordable versions. The base Model 3 comes with a starting price of \$44,630, while the fully loaded Model X is priced at \$110,000. Likewise, BMW has the gasoline-powered BMW 330i for \$44,795, including shipping, and it also has the top-of-the-line iX electric crossover that goes for \$110,000.