

In Tesla's \$137M Race Verdict, Big Winner is IRS

"A San Francisco jury ruled that Tesla TSLA -1% must pay \$137 million in a workplace racism case in which a Black man alleged that he endured racist abuse while working at Tesla's Fremont California plant. Owen Diaz alleged that he suffered racist remarks and abuse causing him sleepless nights, weight loss," reports Robert W. Wood in Forbes.

"The jury awarded him \$6.9M in compensatory emotional distress damages, and a whopping \$130M in punitive damages. The verdict may be appealed, but even if it stands up, taxes will slash the award because of how the IRS taxes legal settlements and judgments. Many plaintiffs win or settle a lawsuit only to be surprised that they have."

Read the article.