

Arkansas Recycling Tax Credit: Arkansas Department of Energy and Environment - Division of Environmental Quality Update



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The Arkansas Recycling Equipment Tax Credit Program was created by Act 654 of 1993. The program encourages recycling by allowing Arkansas taxpayers a 30 percent state income tax credit for the purchase of equipment used exclusively for collecting, separating, processing, modifying, converting, or treating solid waste or for manufacturing products containing at least 50 percent recovered materials, of which at least 10 percent is post-consumer waste.

The cost of installation is also eligible.

The tax credit reduces a participant's Arkansas income tax amount due by 30 percent of the amount paid for eligible recycling equipment and installation. For example, if the total cost for equipment and installation is \$10,000, the participant can subtract \$3,000 from the amount they owe the state.

The Arkansas Department of Energy and Environment – Division of Environmental Quality implements the program through its Enterprise Services.

To receive the tax credit, you must submit an [Application for Certification of Eligibility](#) to DEQ with the required invoices and information detailed in the application instructions.

DEQ suggests that if you expect to purchase recycling equipment and want to determine if the purchase will meet the tax credit requirements, you may submit an [Application for Preliminary Approval](#) to DEQ at least thirty (30) days before making the purchase. Applications for both the Certification of Eligibility and Preliminary Approval must be submitted electronically through E&E's [ePortal system](#). Additional information can be found on the [E&E DEQ website](#), as well as DEQ's [Frequently Asked Questions Guide](#).

Information on assistance can be provided by Tommy Edgman, Enterprise Services Marketing Specialist, at 501.682.0592 or edgman@adeq.state.ar.us or Lucy Cross, Enterprise Services Director, at 501.682.0788 or cross@adeq.state.ar.us.