



NATURAL RESOURCES
DIVISION

Groundwater Conservation **TAX CREDITS**

Arkansas Landowners, you may be eligible for credits on the following:

Reservoirs

- 50% of the project cost incurred in construction, installation, or restoration of an impoundment of at least 20 acre-feet is available.
- Claim up to \$18,000 in one taxable year.
- Unused credit may be carried over for a maximum of 15 years.
- Maximum amount one can claim for this project is \$120,000.

Land Leveling

- 25% of the project cost incurred for a land leveling project is available.
- Claim up to \$18,000 in one taxable year.
- Unused credit may be carried over for a maximum of 15 years.
- Maximum amount one can claim for this project is \$35,000.

Conversion to Surface Water

- A. Inside a Critical Groundwater Area
- 50% of the project cost incurred converting from ground water use to surface water use is available.
 - Claim up to \$18,000 in one taxable year.
 - Unused credit may be carried over for a maximum of 15 years.
 - Maximum amount one can claim for this project is \$35,000.
- B. Outside a Critical Groundwater Area
- 25% of the project cost incurred converting from ground water use to surface water use is available.
 - Claim up to \$18,000 in one taxable year.
 - Unused credit may be carried over for a maximum of 15 years.
 - Maximum amount one can claim for this project is \$35,000.

Water Meters

- Receive 25% or 50% off cost of water meters installed on wells. *25% outside a critical groundwater area and 50% inside a critical groundwater area.
- No pre-approval required.

Contact your local conservation district office to start the application process.



Questions?

We're here to help! (501) 682-1697

agriculture.arkansas.gov/natural-resources/divisions/water-management/tax-credits