



Arkansas Natural Resource Division

GROUNDWATER CONSERVATION TAX CREDITS

2021 Legislative Changes

Time to complete Tax credit projects from 3 to 5 years (retroactive to January 2017)

Amount claimed per year went from \$9,000 to \$18,000

Length of time a Tax credit can be carried over from 3 to 15 years

Percentages for Land Leveling went from 10% to 25% Capped at \$35K

Percentages for Conversion to Surface Water outside Critical Groundwater Area(CGWA) went from 10% to 25% Capped at \$35K

Reservoir max was increased from \$90k to \$120K

CGWA expanded to contiguous CGWA counties for tax credits only (see map on fact sheet)

Contact
information/Questions

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<https://www.agriculture.arkansas.gov/natural-resources/divisions/water-management/tax-credits/>