

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

SCHEDULE 13G

Under the Securities Exchange Act of 1934

(Amendment No. 6)\*

Appliance Recycling Centers of America, Inc.

-----  
(Name of Issuer)

Common Stock

-----  
(Title of Class of Securities)

03814F-20-5

-----  
(CUSIP Number)

\*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter the disclosures provided in a prior cover page.

The information required in the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

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1 NAME OF REPORTING PERSON  
S.S. OR IRS IDENTIFICATION NO. OF ABOVE PERSON

Perkins Capital Management, Inc.  
IRS ID No.: 41-1501962

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\*  
(a)  /  /  
(b)  /  /

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

730 East Lake Street, Wayzata, MN 55391-1769

5 SOLE VOTING POWER  
NUMBER OF 91,750  
6 SHARED VOTING POWER  
SHARES 0

BENEFICIALLY

7 SOLE DISPOSITIVE POWER  
OWNED BY 125,627  
EACH

REPORTING

8 SHARED DISPOSITIVE POWER  
PERSON 0  
WITH

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON  
38,127

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES\*  /  /

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9  
3.3%

12 TYPE OF REPORTING PERSON\*  
IA

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1. NAME OF REPORTING PERSON  
S.S. OR I.R.S IDENTIFICATION NO. OF THE ABOVE PERSON  
The Perkins Opportunity Fund  
13-3682185
  2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP \*  
(a)  /  /  
(b)  /  /
  3. SEC USE ONLY
  4. CITIZENSHIP OR PLACE OF ORGANIZATION  
A Massachusetts Business Trust
- |               |  |
|---------------|--|
| NUMBER OF     | 5. SOLE VOTING POWER                       |
| SHARES        | 0 (Refer to page two of seven, item five)  |
| BENEFICIALLY  | 6. SHARED VOTING POWER                     |
|               | 0  |
| OWNED BY EACH | 7. SOLE DISPOSITIVE POWER                  |
| REPORTING     | 0 (Refer to page two of seven, item seven) |
| PERSON WITH   | 8. SHARED DISPOSITIVE POWER                |
|               | 0  |
9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON  
87,500
  10. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES \*  
 /  /
  11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9  
7.7%
  12. TYPE OF REPORTING PERSON \*  
IC

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## ITEM 1.

- (a) Name of Issuer  
Appliance Recycling Centers of America, Inc.
- (b) Address of Issuer's Principal Executive Offices  
7400 Excelsior Blvd., Minneapolis, MN 55426

## ITEM 2.

- (a) Name of Persons Filing  
Perkins Capital Management, Inc., a Minnesota Corporation  
The Perkins Opportunity Fund, a Massachusetts Business Trust
- (b) Address of Principal Business Office or, if none, Residence  
730 East Lake Street, Wayzata, MN 55391-1769
- (c) Citizenship  
A Minnesota Corporation  
A Massachusetts Business Trust
- (d) Title of Class of Securities  
Common
- (e) CUSIP Number  
03814F-20-5

ITEM 3. If this statement is filed pursuant to Rule 13d-1(b), or 13d-2(b), check whether the person filing is a:

- (a)  /  / Broker or a Dealer registered under Section 15 of the Act
- (b)  /  / Bank as defined in section 3(a)(6) of the Act
- (c)  /  / Insurance Company as defined in section 3(a)(19) of the Act
- (d)  /  / Investment Company registered under section 8 of the  
Investment Company Act
- (e)  /  / Investment Adviser registered under section 203 of the  
Investment Advisers Act of 1940
- (f)  /  / Employee Benefit Plan, Pension Fund which is subject to the

provisions of the Employee Retirement Income Security Act of 1974 or Endowment Fund

(g) /\_/ Parent Holding Company, in accordance with 240.13d-1(b) (ii) (G)  
(Note: See Item 7)

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(h) /\_/ Group, in accordance with 240.13d-1(b) (1) (ii) (H)

ITEM 4. OWNERSHIP

- (a) The amount beneficially owned is 125,627 shares of common stock and equivalents. This includes 38,127 shares of common stock owned by the clients of Perkins Capital Management, Inc., and 87,500 shares owned by the Perkins Opportunity Fund. Perkins Capital Management, Inc. disclaims beneficial interest in the Perkins Opportunity Fund shares.
- (b) The percent of class is 11.0%. This includes a percentage of class of 3.3% by clients of Perkins Capital Management, Inc. and 7.7% by the Perkins Opportunity Fund.
- (c) Number of shares as to which such person has:
- (i) Perkins Capital Management, Inc. has the sole power to vote 91,750 common shares, including the 87,500 shares owned by the Perkins Opportunity Fund.
  - (ii) There are zero shares with shared power to vote or to direct the vote.
  - (iii) Perkins Capital Management, Inc. has sole power to dispose of 125,627 common shares (this includes 87,500 shares of common stock owned by the Perkins Opportunity Fund).
  - (iv) There are zero shares with shared power to dispose or to direct the disposition.

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ITEM 5. OWNERSHIP OF FIVE PERCENT OR LESS OF A CLASS

The client accounts of Perkins Capital Management, Inc. now hold 3.3%.

ITEM 6. OWNERSHIP OF MORE THAN FIVE PERCENT ON BEHALF OF ANOTHER PERSON.

Not applicable.

ITEM 7. IDENTIFICATION AND CLASSIFICATION OF THE SUBSIDIARY WHICH ACQUIRED THE SECURITY BEING REPORTED ON BY THE PARENT HOLDING COMPANY

Not applicable.

ITEM 8. IDENTIFICATION AND CLASSIFICATION OF MEMBERS OF THE GROUP

Not applicable.

ITEM 9. NOTICE OF DISSOLUTION OF GROUP

Not applicable.

ITEM 10. CERTIFICATION

By signing below I certify that, to the best of my knowledge and belief, the securities referred to above were acquired in the ordinary course of business and were not acquired for the purpose of and do not have the effect of changing or influencing the control of the issuer of such securities and were not acquired in connection with or as a participant in any transaction having such purposes or effect.

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

January 30, 1998

By /s/ Bradley A. Erickson  
-----  
(Signature)  
  
Bradley A. Erickson Vice President  
-----  
(Name/Title)

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JOINT FILING AGREEMENT PURSUANT TO RULE 13d-1(f) (1)

This agreement is made pursuant to Rule 13d-1(f)(1) under the Securities Exchange Act of 1934 (the "ACT") by and among the parties listed below, each referred to herein as a "Joint Filer". The Joint Filers agree that a statement of beneficial ownership as required by Section 13(d) of the ACT and the Rules thereunder may be filed on each of their behalf on Schedule 13D or Schedule 13G as appropriate and that said joint filing may thereafter be amended by further joint filings. The Joint Filers state that to the best of their knowledge and belief they each satisfy the requirements for making a joint filing under Rule 13d-1.

January 30, 1998

/s/ Bradley A. Erickson  
-----  
Perkins Capital Management, Inc.  
Bradley A. Erickson

/s/ Steven J. Paggioli  
-----  
Perkins Opportunity Fund Series  
Professionally Managed Portfolio  
Steven J. Paggioli