

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

SCHEDULE 13G

Under the Securities Exchange Act of 1934

(Amendment No. 7)*

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 195,000
6 SHARED VOTING POWER
SHARES 0

BENEFICIALLY

7 SOLE DISPOSITIVE POWER
OWNED BY 218,789
EACH

REPORTING

8 SHARED DISPOSITIVE POWER
PERSON 0
WITH

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
131,298

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

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9
11.5%

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
SHARES
BENEFICIALLY
OWNED BY EACH
REPORTING
PERSON WITH | <ol style="list-style-type: none"> 5. SOLE VOTING POWER
0 (Refer to page two of seven, item five) 6. SHARED VOTING POWER
0 7. SOLE DISPOSITIVE POWER
0 (Refer to page two of seven, item seven) 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 218,789 common shares. This includes 131,289 common shares owned by the clients of Perkins Capital Management, Inc., and 87,500 common shares owned by the Perkins Opportunity Fund. Perkins Capital Management, Inc. disclaims beneficial ownership in the Perkins Opportunity Fund shares.
- (b) The percent of class is 19.2%. This includes a percentage of class of 11.5% 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 195,000 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 218,789 common shares (this includes 87,500 common shares 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

Not applicable.

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.

June 9, 1998

By /s/ Richard C. Perkins

(Signature)

Richard C. Perkins VP/Portfolio Manager

(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.

June 9, 1998

/s/ Richard C. Perkins

Perkins Capital Management, Inc.
Richard C. Perkins
VP/Portfolio Manager

/s/ Steven J. Paggioli

Perkins Opportunity Fund Series
Professionally Managed Portfolio
Steven J. Paggioli