

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) **March 16, 2006**

Appliance Recycling Centers of America, Inc.

(Exact name of registrant as specified in its charter)

Minnesota
(State or other jurisdiction
of incorporation)

000-19621
(Commission
File Number)

41-1454591
(IRS Employer
Identification No.)

7400 Excelsior Blvd., Minneapolis, MN
(Address of principal executive offices)

55426-4517
(Zip Code)

Registrant's telephone number, including area code **(952) 930-9000**

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

ITEM 8.01: OTHER EVENTS

On March 16, 2006, Appliance Recycling Centers of America, Inc. issued a press release announcing it has entered into a purchase agreement for the sale of its corporate headquarters facility for approximately \$6 million.

ITEM 9.01: FINANCIAL STATEMENTS AND EXHIBITS

(c) Exhibits

<u>Exhibit Number</u>	<u>Description</u>
99.1	Press Release dated March 16, 2006.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

APPLIANCE RECYCLING CENTERS OF AMERICA, INC.

Date: March 17, 2006

/s/ Linda Koenig
Linda Koenig, Chief Financial Officer

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Appliance Recycling Centers of America, Inc.
7400 Excelsior Boulevard, Minneapolis MN 55426 (952) 930-9000

For Immediate Release

For information contact:
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**Appliance Recycling Centers of America, Inc. to Sell
Corporate Headquarters Facility in Minneapolis for Approximately \$6 Million**

Minneapolis, MN—March 16, 2006—Appliance Recycling Centers of America, Inc. (Nasdaq: ARCI) today announced it has entered into a purchase agreement for the sale of its corporate headquarters facility for approximately \$6 million. The pending transaction is expected to close in mid-May, after which time ARCA will lease the facility for a limited period from the buyer until the company moves to a new location.

ARCA said it is evaluating various sites for a new headquarters facility in the Minneapolis area. The current facility includes an ApplianceSmart factory outlet, which either will be incorporated into the new headquarters building or established as a stand-alone store.

Approximately \$3.0 million of the net proceeds from the pending sale will be used to pay off the mortgage on the current headquarters facility.

Edward R. (Jack) Cameron, President and chief executive officer, commented: “To continue to grow and gain efficiencies in our operations in this market, we have determined that we need to move to facilities that will better accommodate the expansion of our business.”

About ARCA

Through its ApplianceSmart (www.ApplianceSmart.com) operation, ARCA is one of the nation’s leading retailers of special-buy household appliances, primarily those manufactured by Maytag, GE, Frigidaire and Whirlpool. These special-buy appliances, which include close-outs, factory overruns and scratch-and-dent units, typically are not integrated into the manufacturer’s normal distribution channel. ApplianceSmart sells these virtually new appliances at a discount to full retail, offers a 100% money-back guarantee and provides warranties on parts and labor. As of March 2006, ApplianceSmart is operating 13 factory outlets: five in the Minneapolis/St. Paul market; three in the Columbus, Ohio, market; two in the Atlanta market; two in San Antonio, Texas; and one in Los Angeles. ARCA is also the nation’s largest recycler of major household appliances for the energy conservation programs of electric utilities.

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Statements about ARCA’s outlook are forward-looking and involve risks and uncertainties, including but not limited to: the speed at which individual ApplianceSmart outlets reach profitability, the growth of appliance retail sales, the strength of energy conservation recycling programs, and other factors discussed in the Company’s filings with the Securities and Exchange Commission.

Visit our web sites at www.arcainc.com and www.appliancesmart.com.