

DISPOSAL OR TRADE-IN OF EQUIPMENT PURCHASED WITH E-RATE FUNDS

Equipment purchased with E-Rate funds cannot be sold, resold, or transferred for money or any other thing of value. Outdated equipment and equipment that is no longer being used are still subject to this requirement.

- You can dispose of outdated equipment or equipment that is no longer being used. We suggest that you do so in an environmentally responsible way. However, remember that – even though the equipment may be considered salvage – you cannot accept money or any other thing of value for that equipment.
- You can, however, trade in equipment. If the equipment was purchased with E-Rate funds, the trade-in amount is applied to the purchase of new eligible equipment and the pre-discount amount on the Form 471 funding request for the new equipment is reduced by the trade-in amount. Note that the trade-in amount must be a reasonable estimate of the value of the equipment. Applicants interested in trade-ins should also review the [Free Services Advisory](#) posted on the USAC website.

As with other changes in status, disposal or trade-in of equipment should be carefully recorded on your asset register and inventory tracking documents. Any documentation related to the disposal or trade-in should also be retained.