AZ ARS 42-5061 Section B.14

B 14. **Machinery or equipment used in research and development.** For the purposes of this paragraph, "research and development" means **basic and applied research in the sciences and engineering**, and designing, developing or testing prototypes, processes or new products, including research and development of computer software that is embedded in or an integral part of the prototype or new product or that is required for machinery or equipment otherwise exempt under this section to function effectively. **Research and development do not include** manufacturing quality control, routine consumer product testing, market research, sales promotion, sales service, **research in social sciences or psychology**, computer software research that is not included in the definition of research and development, or other nontechnological activities or technical services. (emphasis added)