

116TH CONGRESS
2D SESSION

S. 4284

To provide for emergency education freedom grants, to amend the Internal Revenue Code of 1986 to establish tax credits to encourage individual and corporate taxpayers to contribute to scholarships for students through eligible scholarship-granting organizations, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JULY 22, 2020

Mr. SCOTT of South Carolina (for himself, Mr. ALEXANDER, and Mr. CRUZ) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To provide for emergency education freedom grants, to amend the Internal Revenue Code of 1986 to establish tax credits to encourage individual and corporate taxpayers to contribute to scholarships for students through eligible scholarship-granting organizations, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “School Choice Now
5 Act”.

1 **TITLE I—EMERGENCY**
 2 **EDUCATION FREEDOM GRANTS**

3 **SEC. 101. EMERGENCY EDUCATION FREEDOM GRANTS.**

4 (a) DEFINITIONS.—In this title:

5 (1) DEFINITIONS FROM THE INTERNAL REV-
 6 ENUE CODE OF 1986.—The definitions in section
 7 25E(c) of the Internal Revenue Code of 1986, as
 8 added by section 201, shall apply to this section, ex-
 9 cept as otherwise provided.

10 (2) EMERGENCY EDUCATION FREEDOM GRANT
 11 FUNDS.—The term “emergency education freedom
 12 grant funds” means the amount of funds available
 13 under subsection (b)(1) for this section that are not
 14 reserved under subsection (c)(1).

15 (3) SECRETARY.—The term “Secretary” means
 16 the Secretary of Education.

17 (4) STATE.—The term “State” means each of
 18 the 50 States, the District of Columbia, and the
 19 Commonwealth of Puerto Rico.

20 (b) GRANTS.—

21 (1) PROGRAM AUTHORIZED.—From any
 22 amounts appropriated for section 18003 of division
 23 B of the CARES Act on or after the date of enact-
 24 ment of this Act, the Secretary shall, notwith-
 25 standing any other provision of title XVIII of divi-

1 sion B of the CARES Act (Public Law 116–136),
2 use 10 percent of such amounts to carry out sub-
3 section (c) and award emergency education freedom
4 grants to States with approved applications, in order
5 to enable the States to award subgrants to eligible
6 scholarship-granting organizations under subsection
7 (d).

8 (2) TIMING.—The Secretary shall make the al-
9 lotments required under this subsection by not later
10 than 30 days after the date of enactment of this
11 Act.

12 (c) RESERVATION AND ALLOTMENTS.—

13 (1) IN GENERAL.—From the amounts made
14 available under subsection (b)(1), the Secretary
15 shall—

16 (A) reserve—

17 (i) one-half of 1 percent for allotments
18 for the United States Virgin Islands,
19 Guam, American Samoa, and the Com-
20 monwealth of the Northern Mariana Is-
21 lands, to be distributed among those out-
22 lying areas on the basis of their relative
23 need, as determined by the Secretary, in
24 accordance with the purpose of this title;
25 and

(ii) one-half of 1 percent of such amounts for the Secretary of the Interior, acting through the Bureau of Indian Education, to be used to provide subgrants described in subsection (d) to eligible scholarship-granting organizations that serve students attending elementary schools or secondary schools operated or funded by the Bureau of Indian Education; and

(B) subject to paragraph (2), allot each State that submits an approved application under this section the sum of—

(i) the amount that bears the same relation to 20 percent of the emergency education freedom grant funds as the number of individuals aged 5 through 17 in the State, as determined by the Secretary on the basis of the most recent satisfactory data, bears to the number of those individuals, as so determined, in all such States that submitted approved applications; and

(ii) an amount that bears the same relationship to 80 percent of the emergency education freedom grant funds as the number of individuals aged 5 through 17 from

families with incomes below the poverty line in the State, as determined by the Secretary on the basis of the most recent satisfactory data, bears to the number of those individuals, as so determined, in all such States that submitted approved applications.

(2) MINIMUM ALLOTMENT.—No State shall receive an allotment under this subsection for a fiscal year that is less than $\frac{1}{2}$ of 1 percent of the amount of emergency education freedom grant funds available for such fiscal year.

(d) SUBGRANTS TO ELIGIBLE SCHOLARSHIP-GRANTING ORGANIZATIONS.—

(1) IN GENERAL.—A State that receives an allotment under this section shall use the allotment to award subgrants, on a basis determined appropriate by the State, to eligible scholarship-granting organizations in the State.

(2) INITIAL TIMING.—

(A) STATES WITH EXISTING TAX CREDIT SCHOLARSHIP PROGRAM.—By not later than 30 days after receiving an allotment under subsection (c)(1)(B), a State with an existing, as of the date of application for an allotment

1 under this section, tax credit scholarship pro-
2 gram shall use not less than 50 percent of the
3 allotment to award subgrants to eligible schol-
4 arship-granting organizations in the State.

5 (B) STATES WITHOUT TAX CREDIT SCHOL-
6 ARSHIP PROGRAMS.—By not later than 60 days
7 after receiving an allotment under subsection
8 (c)(1)(B), a State without a tax credit scholar-
9 ship program shall use not less than 50 percent
10 of the allotment to award subgrants to eligible
11 scholarship-granting organizations in the State.

12 (3) USES OF FUNDS.—An eligible scholarship-
13 granting organization that receives a subgrant under
14 this subsection—

15 (A) may reserve not more than 5 percent
16 of the subgrant funds for public outreach, stu-
17 dent and family support activities, and adminis-
18 trative expenses related to the subgrant; and

19 (B) shall use not less than 95 percent of
20 the subgrant funds to provide qualifying schol-
21 arships for qualified expenses only to individual
22 elementary school and secondary school stu-
23 dents who reside in the State in which the eligi-
24 ble scholarship-granting organization is recog-
25 nized.

1 (e) REALLOCATION.—A State shall return to the Sec-
 2 retary any amounts of the allotment received under this
 3 section that the State does not award as subgrants under
 4 subsection (d) by March 30, 2021, and the Secretary shall
 5 reallocate such funds to the remaining eligible States in
 6 accordance with subsection (c)(1)(B).

7 (f) RULES OF CONSTRUCTION.—The rules of con-
 8 struction under section 25E(d) of the Internal Revenue
 9 Code of 1986, as added by section 201, shall apply to this
 10 section in the same manner as such rules apply to section
 11 25E of such Code, as so added.

12 **TITLE II—TAX CREDITS FOR**
 13 **CONTRIBUTIONS TO ELIGI-**
 14 **BLE SCHOLARSHIP-GRANT-**
 15 **ING ORGANIZATIONS**

16 **SEC. 201. TAX CREDITS FOR CONTRIBUTIONS TO ELIGIBLE**
 17 **SCHOLARSHIP-GRANTING ORGANIZATIONS.**

18 (a) CREDIT FOR INDIVIDUALS.—Subpart A of part
 19 IV of subchapter A of chapter 1 of the Internal Revenue
 20 Code of 1986 is amended by adding after section 25D the
 21 following new section:

22 **“SEC. 25E. CONTRIBUTIONS TO ELIGIBLE SCHOLARSHIP-**
 23 **GRANTING ORGANIZATIONS.**

24 “(a) ALLOWANCE OF CREDIT.—Subject to section
 25 202(c) of the School Choice Now Act, in the case of an

1 individual, there shall be allowed as a credit against the
 2 tax imposed by this chapter for the taxable year an
 3 amount equal to the sum of any qualified contributions
 4 made by the taxpayer during the taxable year.

5 “(b) AMOUNT OF CREDIT.—The credit allowed under
 6 subsection (a) for any taxable year shall not exceed 10
 7 percent of the taxpayer’s adjusted gross income for the
 8 taxable year.

9 “(c) DEFINITIONS.—For purposes of this section—
 10 “(1) ELIGIBLE SCHOLARSHIP-GRANTING ORGA-
 11 NIZATION.—The term ‘eligible scholarship-granting
 12 organization’ means—

13 “(A) an organization that—

14 “(i) is described in section 501(c)(3)
 15 and exempt from taxation under section
 16 501(a),

17 “(ii) provides qualifying scholarships
 18 to individual elementary and secondary
 19 students who—

20 “(I) reside in the State in which
 21 the eligible scholarship-granting orga-
 22 nization is recognized, or

23 “(II) in the case of the Bureau of
 24 Indian Education, are members of a
 25 federally recognized tribe,

1 “(iii) a State identifies to the Sec-
2 retary as an eligible scholarship-granting
3 organization under section 202(c)(5)(B) of
4 the School Choice Now Act,

5 “(iv) allocates at least 90 percent of
6 qualified contributions to qualifying schol-
7 arships on an annual basis, and

8 “(v) provides qualifying scholarships
9 to—

10 “(I) more than 1 eligible student,

11 “(II) more than 1 eligible family,

12 and

13 “(III) different eligible students

14 attending more than 1 education pro-

15 vider, or

16 “(B) an organization that—

17 “(i) is described in section 501(c)(3)

18 and exempt from taxation under section

19 501(a), and

20 “(ii) pursuant to State law, was able,

21 as of January 1, 2021, to receive contribu-

22 tions that are eligible for a State tax credit

23 if such contributions are used by the orga-

24 nization to provide scholarships to indi-

25 vidual elementary and secondary students,

1 including scholarships for attending private
2 schools.

3 “(2) QUALIFIED CONTRIBUTION.—The term
4 ‘qualified contribution’ means a contribution of cash
5 to any eligible scholarship-granting organization.

6 “(3) QUALIFIED EXPENSE.—The term ‘quali-
7 fied expense’ means any educational expense that
8 is—

9 “(A) for an individual student’s elementary
10 or secondary education, as recognized by the
11 State, or

12 “(B) for the secondary education compo-
13 nent of an individual elementary or secondary
14 student’s career and technical education, as de-
15 fined by section 3(5) of the Carl D. Perkins Ca-
16 reer and Technical Education Act of 2006 (20
17 U.S.C. 2302(5)).

18 “(4) QUALIFYING SCHOLARSHIP.—The term
19 ‘qualifying scholarship’ means a scholarship granted
20 by an eligible scholarship-granting organization to
21 an individual elementary or secondary student for a
22 qualified expense.

23 “(5) STATE.—The term ‘State’ means each of
24 the 50 States, the District of Columbia, the Com-
25 monwealth of Puerto Rico, the outlying areas (as de-

1 fined in section 1121(c) of the Elementary and Sec-
2 ondary Education Act of 1965 (20 U.S.C. 6331(c)),
3 and the Department of the Interior (acting through
4 the Bureau of Indian Education).

5 “(d) RULES OF CONSTRUCTION.—

6 “(1) IN GENERAL.—A qualifying scholarship
7 awarded to a student from the proceeds of a quali-
8 fied contribution under this section shall not be con-
9 sidered assistance to the school or other educational
10 provider that enrolls, or provides educational services
11 to, the student or the student’s parents.

12 “(2) EXCLUSION FROM INCOME.—Gross income
13 shall not include any amount received by an indi-
14 vidual as a qualifying scholarship and such amount
15 shall not be taken into account as income or re-
16 sources for purposes of determining the eligibility of
17 such individual or any other individual for benefits
18 or assistance, or the amount or extent of such bene-
19 fits or assistance, under any Federal program or
20 under any State or local program financed in whole
21 or in part with Federal funds.

22 “(3) PROHIBITION OF CONTROL OVER NON-
23 PUBLIC EDUCATION PROVIDERS.—

24 “(A)(i) Nothing in this section shall be
25 construed to permit, allow, encourage, or au-

1 authorize any Federal control over any aspect of
2 any private, religious, or home education pro-
3 vider, whether or not a home education provider
4 is treated as a private school or home school
5 under State law.

6 “(ii) This section shall not be construed to
7 exclude private, religious, or home education
8 providers from participation in programs or
9 services under this section.

10 “(B) Nothing in this section shall be con-
11 strued to permit, allow, encourage, or authorize
12 an entity submitting a list of eligible scholar-
13 ship-granting organizations on behalf of a State
14 pursuant to section 202(c)(5) of the School
15 Choice Now Act to mandate, direct, or control
16 any aspect of a private or home education pro-
17 vider, regardless of whether or not a home edu-
18 cation provider is treated as a private school
19 under State law.

20 “(C) No participating State or entity act-
21 ing on behalf of a State pursuant to section
22 202(c)(5) of the School Choice Now Act shall
23 exclude, discriminate against, or otherwise dis-
24 advantage any education provider with respect
25 to programs or services under this section based

1 in whole or in part on the provider’s religious
2 character or affiliation, including religiously-
3 based or mission-based policies or practices.

4 “(4) PARENTAL RIGHTS TO USE SCHOLAR-
5 SHIPS.—No participating State or entity acting on
6 behalf of a State pursuant to section 202(c)(5) of
7 the School Choice Now Act shall disfavor or discour-
8 age the use of qualifying scholarships for the pur-
9 chase of elementary and secondary education serv-
10 ices, including those services provided by private or
11 nonprofit entities, such as faith-based providers.

12 “(5) STATE AND LOCAL AUTHORITY.—Nothing
13 in this section shall be construed to modify a State
14 or local government’s authority and responsibility to
15 fund education.

16 “(e) DENIAL OF DOUBLE BENEFIT.—The Secretary
17 shall prescribe such regulations or other guidance to en-
18 sure that the sum of the tax benefits provided by Federal,
19 State, or local law for a qualified contribution receiving
20 a Federal tax credit in any taxable year does not exceed
21 the sum of the qualified contributions made by the tax-
22 payer for the taxable year.

23 “(f) CARRYFORWARD OF CREDIT.—If a tax credit al-
24 lowed under this section is not fully used within the appli-
25 cable taxable year because of insufficient tax liability on

1 the part of the taxpayer, the unused amount may be car-
 2 ried forward for a period not to exceed 5 years.

3 “(g) ELECTION.—This section shall apply to a tax-
 4 payer for a taxable year only if the taxpayer elects to have
 5 this section apply for such taxable year.

6 “(h) ALTERNATIVE MINIMUM TAX.—For purposes of
 7 calculating the alternative minimum tax under section 55,
 8 a taxpayer may use any credit received for a qualified con-
 9 tribution under this section.”.

10 (b) CLERICAL AMENDMENT.—The table of sections
 11 for subpart A of part IV of subchapter A of chapter 1
 12 of the Internal Revenue Code of 1986 is amended by in-
 13 serting after the item relating to section 25D the following
 14 new item:

“Sec. 25E. Contributions to eligible scholarship-granting organizations.”.

15 (c) CREDIT FOR CORPORATIONS.—Subpart D of part
 16 IV of subchapter A of chapter 1 of the Internal Revenue
 17 Code of 1986 is amended by adding at the end the fol-
 18 lowing new section:

19 **“SEC. 45U. CONTRIBUTIONS TO ELIGIBLE SCHOLARSHIP-**
 20 **GRANTING ORGANIZATIONS.**

21 “(a) ALLOWANCE OF CREDIT.—Subject to section
 22 202(c) of the School Choice Now Act, for purposes of sec-
 23 tion 38, in the case of a domestic corporation, there shall
 24 be allowed as a credit against the tax imposed by this
 25 chapter for the taxable year an amount equal to the sum

1 of any qualified contributions (as defined in section
2 25E(c)(2)) made by such corporation taxpayer during the
3 taxable year.

4 “(b) AMOUNT OF CREDIT.—The credit allowed under
5 subsection (a) for any taxable year shall not exceed 5 per-
6 cent of the taxable income (as defined in section
7 170(b)(2)(D)) of the domestic corporation for such taxable
8 year.

9 “(c) ADDITIONAL PROVISIONS.—For purposes of this
10 section, any qualified contributions made by a domestic
11 corporation shall be subject to the provisions of section
12 25E (including subsection (d) of such section), to the ex-
13 tent applicable.

14 “(d) ELECTION.—This section shall apply to a tax-
15 payer for a taxable year only if the taxpayer elects to have
16 this section apply for such taxable year.”.

17 (d) CREDIT PART OF GENERAL BUSINESS CRED-
18 IT.—Section 38(b) is amended—

19 (1) by striking “plus” at the end of paragraph
20 (32);

21 (2) by striking the period at the end of para-
22 graph (33) and inserting “, plus”; and

23 (3) by adding at the end the following new
24 paragraph:

1 “(34) the credit for qualified contributions de-
 2 termined under section 45U(a).”.

3 (e) CLERICAL AMENDMENT.—The table of sections
 4 for subpart D of part IV of subchapter A of chapter 1
 5 is amended by adding at the end the following new item:

“Sec. 45U. Contributions to eligible scholarship-granting organizations.”.

6 (f) EFFECTIVE DATE.—The amendments made by
 7 this section shall apply to taxable years beginning after
 8 December 31, 2020.

9 **SEC. 202. EDUCATION FREEDOM SCHOLARSHIPS WEB POR-**
 10 **TAL AND ADMINISTRATION.**

11 (a) IN GENERAL.—The Secretary of the Treasury
 12 shall, in coordination with the Secretary of Education, es-
 13 tablish, host, and maintain a web portal that—

14 (1) lists all eligible scholarship-granting organi-
 15 zations;

16 (2) enables a taxpayer to make a qualifying
 17 contribution to one or more eligible scholarship-
 18 granting organizations and to immediately obtain
 19 both a pre-approval of a tax credit for that contribu-
 20 tion and a receipt for tax filings;

21 (3) provides information about the tax benefits
 22 under sections 25E and 45U of the Internal Rev-
 23 enue Code of 1986; and

24 (4) enables a State to submit and update infor-
 25 mation about its programs and its eligible scholar-

1 ship-granting organizations for informational pur-
2 poses only, including information on—

3 (A) student eligibility;

4 (B) allowable educational expenses;

5 (C) the types of allowable education pro-
6 viders;

7 (D) the percentage of funds an organiza-
8 tion may use for program administration; and

9 (E) the percentage of total contributions
10 the organization awards in a calendar year.

11 (b) NONPORTAL CONTRIBUTIONS.—A taxpayer may
12 opt to make a contribution directly to an eligible scholar-
13 ship-granting organization, instead of through the web
14 portal described in subsection (a), provided that the tax-
15 payer, or the eligible scholarship-granting organization on
16 behalf of the taxpayer, applies for, and receives pre-ap-
17 proval for a tax credit from the Secretary of the Treasury
18 in coordination with the Secretary of Education.

19 (c) NATIONAL AND STATE LIMITATIONS ON CRED-
20 ITS.—

21 (1) NATIONAL LIMITATION.—For each fiscal
22 year, the total amount of qualifying contributions for
23 which a credit is allowed under sections 25E and
24 45U of the Internal Revenue Code of 1986 shall not
25 exceed \$5,000,000,000.

1 (2) ALLOCATION OF LIMITATION.—

2 (A) INITIAL ALLOCATIONS.—For each cal-
3 endar year, with respect to the limitation under
4 paragraph (1), the Secretary of the Treasury,
5 in consultation with the Secretary of Education,
6 shall—

7 (i) allocate to each State an amount
8 equal to the sum of the qualifying con-
9 tributions made in the State in the pre-
10 vious year; and

11 (ii) from any amounts remaining fol-
12 lowing allocations made under clause (i),
13 allocate to each participating State an
14 amount equal to the sum of—

15 (I) an amount that bears the
16 same relationship to 20 percent of
17 such remaining amount as the num-
18 ber of individuals aged 5 through 17
19 in the State, as determined by the
20 Secretary of Education on the basis of
21 the most recent satisfactory data,
22 bears to the number of those individ-
23 uals in all such States, as so deter-
24 mined; and

1 (II) an amount that bears the
2 same relationship to 80 percent of
3 such remaining amount as the num-
4 ber of individuals aged 5 through 17
5 from families with incomes below the
6 poverty line in the State, as deter-
7 mined by the Secretary of Education,
8 on the basis of the most recent satis-
9 factory data, bears to the number of
10 those individuals in all such States, as
11 so determined.

12 (B) MINIMUM ALLOCATION.—Notwith-
13 standing subparagraph (A), no State receiving
14 an allocation under this section may receive less
15 than $\frac{1}{2}$ of 1 percent of the amount allocated
16 for a fiscal year.

17 (C) ALTERNATIVE ALLOCATION.—

18 (i) IN GENERAL.—Not later than the
19 end of the fifth year of the program or 1
20 year after the end of the first fiscal year
21 for which the total amount of credits
22 claimed under section 25E and section
23 45U of the Internal Revenue Code of 1986
24 is \$2,500,000,000 or more, whichever
25 comes first, the Secretary of the Treasury,

1 in consultation with the Secretary of Edu-
2 cation, shall, by regulation, provide for an
3 alternative allocation method that shall
4 take effect beginning with the first fiscal
5 year after such regulation takes effect.

6 (ii) ALTERNATIVE ALLOCATION METH-
7 OD.—The alternative allocation method
8 shall be expressed as a formula based on
9 a combination of the following data for
10 each State, as reported by the State to the
11 Secretary of the Treasury:

12 (I) The relative percentage of
13 students in the State who receive an
14 elementary or secondary scholarship
15 through a State program that is fi-
16 nanced through State tax-credited do-
17 nations or appropriations and that
18 permits the elementary or secondary
19 scholarship to be used to attend a pri-
20 vate school.

21 (II) The total amount of all ele-
22 mentary and secondary scholarships
23 awarded through a State program
24 that is financed through State tax-
25 credited donations or appropriations

1 compared to the total amount of cur-
 2 rent State and local expenditures for
 3 free public education in the State.

4 (iii) ALLOCATION FORMULA.—For any
 5 fiscal year to which clause (i) applies, the
 6 Secretary of Treasury, in consultation with
 7 the Secretary of Education, shall—

8 (I) for each State, allocate an
 9 amount equal to the sum of the quali-
 10 fying contributions made in the State
 11 in the previous year;

12 (II) allocate $\frac{2}{3}$ of the remaining
 13 amount (after application of subclause
 14 (I)) of the national limitation for that
 15 year using the alternative allocation
 16 method under clause (ii); and

17 (III) allocate $\frac{1}{3}$ of the remaining
 18 amount (after application of subclause
 19 (I) and (II)) in accordance with sub-
 20 paragraph (A)(ii).

21 (iv) INELIGIBILITY.—For any fiscal
 22 year to which clause (i) applies, a State
 23 that does not provide the Secretary of the
 24 Treasury with information described in
 25 clause (ii) is not eligible to receive an allo-

1 cation through the alternative allocation
2 method under such clause.

3 (3) ALLOWABLE PARTNERSHIPS.—A State may
4 choose to administer the allocation it receives under
5 paragraph (2) in partnership with one or more
6 States, provided that the eligible scholarship-grant-
7 ing organizations in each partner State serve stu-
8 dents who reside in all States in the partnership.

9 (4) TOTAL ALLOCATION.—A State’s allocation,
10 for any fiscal year, is the sum of the amount deter-
11 mined for such State under subparagraphs (A) and
12 (B) of paragraph (2), except as provided in para-
13 graph (2)(C).

14 (5) ALLOCATION AND ADJUSTMENTS.—

15 (A) INITIAL ALLOCATION TO STATES.—Not
16 later than November 1 of the year preceding a
17 year for which there is a national limitation on
18 credits under paragraph (1) (referred to in this
19 section as the “applicable year”), or as early as
20 practicable with respect to the first year, the
21 Secretary of the Treasury shall announce the
22 State allocations under paragraph (2) for the
23 applicable year.

24 (B) LIST OF ELIGIBLE SCHOLARSHIP-
25 GRANTING ORGANIZATIONS.—

(i) IN GENERAL.—Not later than January 1 of each applicable year, or as early as practicable with respect to the first year, each State shall provide the Secretary of the Treasury a list of eligible scholarship-granting organizations, including a certification that the entity submitting the list on behalf of the State has the authority to perform this function.

(ii) RULE OF CONSTRUCTION.—Neither this section nor any other Federal law shall be construed as limiting the entities that may submit the list on behalf of a State.

(C) REALLOCATION OF UNCLAIMED CREDITS.—The Secretary of the Treasury shall reallocate a State’s allocation to other States, in accordance with paragraph (2), if the State—

(i) chooses not to identify scholarship-granting organizations under subparagraph (B) in any applicable year; or

(ii) does not have an existing eligible scholarship-granting organization.

(D) REALLOCATION.—On or after April 1 of any applicable year, the Secretary of the

1 Treasury may reallocate, to one or more other
2 States that have eligible scholarship-granting
3 organizations in the States, without regard to
4 paragraph (2), the allocation of a State for
5 which the State's allocation has not been
6 claimed.

7 (d) DEFINITIONS.—Any term used in this section
8 which is also used in section 25E of the Internal Revenue
9 Code of 1986 shall have the same meaning as when used
10 in such section.

○