

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name CORRECTIONS CORPORATION OF AMERICA		2 Issuer's employer identification number (EIN) 62-1763875	
3 Name of contact for additional information KARIN DEMLER	4 Telephone No. of contact 615-263-3005	5 Email address of contact KARIN.DEMLER@CCA.COM	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact 10 BURTON HILLS BLVD.		7 City, town, or post office, state, and Zip code of contact NASHVILLE, TN 37215	
8 Date of action 4/15/2013; 5/20/2013; 7/15/2013; & 10/15/2013		9 Classification and description COMMON STOCK	
10 CUSIP number 22025Y407	11 Serial number(s) N/A	12 Ticker symbol CXW	13 Account number(s) N/A

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ **CCA paid the following distributions during 2013; as described at #15 below, a portion of the distribution was non-taxable to the recipient.**

- 1) On April 15, 2013, CCA paid cash distributions on common stock of \$0.53 per share to shareholders of record April 3, 2013.
- 2) On May 20, 2013, CCA paid a distribution of cash and common stock totaling \$6.66 per share to shareholders of record April 19, 2013.
- 3) On July 15, 2013, CCA paid cash distributions on common stock of \$0.48 per share to shareholders of record July 3, 2013.
- 4) On October 15, 2013, CCA paid cash distributions on common stock of \$0.48 per share to shareholders of record October 2, 2013.

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ **Of the distributions above, the amounts below were non-dividend distributions which must be constitute either return of capital to each shareholder or capital gains if insufficient basis exists.**

- 1) April 15, 2013 distributions - 34.69% of each \$1 or \$0.183881 per share
- 2) May 20, 2013 distributions - 0.19% of each \$1 or \$0.012643 per share
- 3) July 15, 2013 distributions - 34.69% of each \$1 or \$0.166534 per share
- 4) October 15, 2013 distributions - 34.69% of each \$1 or \$0.166534 per share

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ **The calculation for the non-dividend portion of distributions made to common stock shareholders of Corrections Corporation of America for the April, July, and October distributions was based on 2013 earnings and profits as calculated under IRC section 312 as modified by IRC section 857(d) for adjustments specific to REITs.**

The calculation for the non-dividend portion of the May distribution was based on the accumulated earnings and profits through 2012 to conform with IRC section 857(a)(2)(B) to distribute all earnings and profits in a non-REIT year. The calculation of earnings and profits was made in accordance with IRC section 312.

Amounts in excess of earnings and profits reduce the shareholder's tax basis in shares to the extent of the excess distribution. Remaining non-dividend distribution amounts are subject to tax as capital gains.

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ _____

Section 301

Section 316

Section 857

18 Can any resulting loss be recognized? ▶ No.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ Reportable for tax year ending December 31, 2013.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature ▶  Date ▶ 1/14/14

Print your name ▶ David M. Garfinkle Title ▶ Vice President, Finance

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	<u>J. David Sink</u>		<u>01/14/14</u>		<u>P00273512</u>
	Firm's name ▶ <u>Ernst & Young U.S. LLP</u>	Firm's EIN ▶ <u>34-6565596</u>		Phone no. <u>901-526-1000</u>	
Firm's address ▶ <u>6410 Poplar Avenue, Suite 500, Memphis, Tennessee 38119</u>					