

SECOND AMENDMENT

Form **8937**  
(December 2011)  
Department of the Treasury  
Internal Revenue Service

**Report of Organizational Actions  
Affecting Basis of Securities**

OMB No. 1545-2224

▶ See separate instructions.

**Part I Reporting Issuer**

|  |                                   |   |  |
|--|-----------------------------------|---|--|
| <b>1 Issuer's name</b><br>COVANTA HOLDING CORPORATION  |                                   | <b>2 Issuer's employer identification number (EIN)</b><br>95-6021257                        |  |
| <b>3 Name of contact for additional information</b><br>PAOLA TADDEO  |                                   | <b>4 Telephone No. of contact</b><br>862-345-5000   | <b>5 Email address of contact</b><br>PTADDEO@COVANTAENERGY.COM |
| <b>6 Number and street (or P.O. box if mail is not delivered to street address) of contact</b><br>445 SOUTH STREET |                                   | <b>7 City, town, or post office, state, and Zip code of contact</b><br>MORRISTOWN, NJ 07960 |  |
| <b>8 Date of action</b><br>1/5/12; 4/12/12; 7/6/12; 10/17/12; 12/26/12   |                                   | <b>9 Classification and description</b><br>COMMON STOCK                                     |  |
| <b>10 CUSIP number</b><br>22282E102  | <b>11 Serial number(s)</b><br>N/A | <b>12 Ticker symbol</b><br>CVA  | <b>13 Account number(s)</b><br>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 ▶ **During 2012 Covanta Holding Corporation ("CVA") made five cash distributions (payable on January 5, April 12, July 6, October 17, and December 26) in the per share amounts of \$0.075, \$0.15, \$0.15, \$0.15, and \$0.15 totalling \$.675/share.**

**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 ▶ **The above cash distributions are treated as taxable dividends to the extent of the Company's current and accumulated earnings and profits as of the period ending on December 31, 2012. The portion of the cash distributions that are not dividends shall be applied against the basis of the stock. The portion of the distribution that is a return of capital and not a dividend is \$0.13541 per share. Accordingly, the basis of each share of stock held by each shareholder shall be reduced by \$0.13541.**

**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 portion of the distribution that is not classified as a dividend represents distributions that are in excess of the current and accumulated earnings and profits that have been calculated based on 2012 and prior years.**

**Part II Organizational Action** (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ► Internal Revenue Code §301, §312, and §316 and supporting regulations.

Blank lines for providing Internal Revenue Code section(s) and subsection(s).

18 Can any resulting loss be recognized? ► No loss should be recognized with respect to the portion of the distribution that represents a return of capital.

Blank lines for providing information regarding resulting loss recognition.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ► The return of capital calculated in item 15 is a revision to the estimated return of capital reported in item 15 of the Form 8937 that was posted to the Company's website on October 8, 2013. The prior estimate of return of capital was calculated based on the most accurate available information at the time of that filing. Covanta Holding Corporation is reporting this updated Form 8937 because it has determined that the amount of the distribution treated as a return of capital with respect to each share of stock has changed. The revised return of capital has been determined based on revised earnings and profits calculated at the time of the filing of the 2013 U.S. Corporation Income Tax Return which impacted the 2012 tax return. The amounts reported in this filing are based on the most accurate available information at the time of this filing. The above information does not constitute tax advice. It is recommended that shareholders consult with their own legal, financial, or tax advisors to consider the consequences of reporting amounts that may be revised at a later date.

Blank lines for providing other information necessary to implement the adjustment.

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 ► *Bradford J. Helgeson* Date ► 9/25/14

Print your name ► Bradford J. Helgeson Title ► Executive V.P. & Chief Financial Officer

|                               |                            |                      |      |   |              |
|-------------------------------|----------------------------|----------------------|------|---|--------------|
| <b>Paid Preparer Use Only</b> | Print/Type preparer's name | Preparer's signature | Date | Check <input type="checkbox"/> if self-employed | PTIN         |
|                               | Firm's name ►              |                      |      |   | Firm's EIN ► |
|                               | Firm's address ►           |                      |      |   | Phone no.    |