

The fair value of long-term debt approximates carrying value and was determined by valuing a similar hypothetical coupon bond and attributing that value to our long-term debt under the Revolving Credit Facility.

NOTE 18 — Income Taxes

Earnings before income taxes consist of the following:

	Years Ended December 31,		
	2019	2018	2017
U.S.	\$ 15,103	\$ 30,815	\$ 9,315
Non-U.S.	35,163	27,288	30,938
Total	\$ 50,266	\$ 58,103	\$ 40,253

Significant components of income tax provision/(benefit) are as follows:

	Years Ended December 31,		
	2019	2018	2017
Current:			
U.S.	\$ (391)	\$ (397)	\$ 1,635
Non-U.S.	10,666	12,538	7,150
Total Current	10,275	12,141	8,785
Deferred:			
U.S.	558	(330)	17,597
Non-U.S.	3,287	(240)	(577)
Total Deferred	3,845	(570)	17,020
Total provision for income taxes	\$ 14,120	\$ 11,571	\$ 25,805

Significant components of our deferred tax assets and liabilities are as follows:

	As of December 31,	
	2019	2018
Post-retirement benefits	\$ 1,100	\$ 1,061
Inventory reserves	708	1,236
Loss carry-forwards	4,724	4,647
Credit carry-forwards	15,964	16,909
Accrued expenses	4,932	5,685
Research expenditures	17,953	16,847
Operating lease liabilities	6,211	—
Stock compensation	2,232	2,142
Foreign exchange loss	1,986	2,245
Other	230	207
Gross deferred tax assets	56,040	50,979
Depreciation and amortization	12,453	11,500
Pensions	13,552	11,736
Operating lease assets	5,963	—
Subsidiaries' unremitted earnings	1,903	1,258
Gross deferred tax liabilities	33,871	24,494
Net deferred tax assets	22,169	26,485
Deferred tax asset valuation allowance	(8,011)	(8,274)
Total net deferred tax assets	\$ 14,158	\$ 18,211

The long-term deferred tax assets and long-term deferred tax liabilities are as follows below:

	As of December 31,	
	2019	2018
Non-current deferred tax assets	\$ 19,795	\$ 22,201
Non-current deferred tax liabilities	\$ (5,637)	\$ (3,990)
Total net deferred tax assets	\$ 14,158	\$ 18,211

At each reporting date, we weigh all available positive and negative evidence to assess whether it is more-likely-than-not that the Company's deferred tax assets, including deferred tax assets associated with accumulated loss carryforwards and tax credits in the various jurisdictions in which it operates, will be realized. As of December 31, 2019, and 2018, we recorded deferred tax assets related to certain U.S. state and non-U.S. income tax loss carryforwards of \$4,724 and \$4,647, respectively, and U.S. and non-U.S. tax credits of \$15,964 and \$16,909, respectively. The deferred tax assets expire in various years primarily between 2021 and 2039.

Generally, we assess if it is more-likely-than-not that our net deferred tax assets will be realized during the available carry-forward periods. As a result, we have determined that valuation allowances of \$8,011 and \$8,274 should be provided for certain deferred tax assets at December 31, 2019, and 2018, respectively. As of December 31, 2019, the valuation allowances relate to certain U.S. state and non-U.S. loss carry-forwards and certain U.S. state tax credits that management does not anticipate will be utilized.

No valuation allowance was recorded in 2019 against the U.S. federal foreign tax credit carryforwards of \$5,785, which expire in varying amounts between 2023 and 2029 as well as the research and development tax credits of \$7,495, which expire in varying amounts between 2021 and 2039. We assessed the anticipated realization of those tax credits utilizing future taxable income projections. Based on those projections, management believes it is more-likely-than-not that we will realize the benefits of these credit carryforwards.

The following table reconciles taxes at the U.S. federal statutory rate to the effective income tax rate:

	Years Ended December 31,		
	2019	2018	2017
Taxes at the U.S. statutory rate	21.0 %	21.0 %	35.0 %
State income taxes, net of federal income tax benefit	0.4 %	1.2 %	1.1 %
Non-U.S. earnings taxed at rates different than the U.S. statutory rate	1.3 %	0.8 %	(9.0)%
Foreign source earnings, net of associated foreign tax credits	0.3 %	4.1 %	0.1 %
Benefit of tax credits	(1.5)%	(0.9)%	(1.4)%
Non-deductible expenses	4.1 %	1.3 %	1.5 %
Stock compensation - excess tax benefits	(1.1)%	(0.9)%	(1.5)%
Adjustment to valuation allowances	(0.4)%	(0.6)%	(4.4)%
Other changes in tax laws and rates	0.1 %	(6.1)%	— %
Change in unrecognized tax benefits	3.3 %	(1.7)%	2.0 %
Impacts of unremitted foreign earnings	1.3 %	1.1 %	0.9 %
Impacts related to the 2017 Tax Cuts and Jobs Act	— %	(0.6)%	44.7 %
Other	(0.7)%	1.2 %	(4.9)%
Effective income tax rate	28.1 %	19.9 %	64.1 %

On December 22, 2017, the Tax Cuts and Jobs Act of 2017 (the "Tax Act") was signed into law making significant changes to the Internal Revenue Code. Changes include, but are not limited to, a corporate tax rate decrease from 35% to 21% effective for tax years beginning after December 31, 2017, the transition of U.S. international taxation from a worldwide tax system to a territorial system, and a one-time transition tax on the mandatory deemed repatriation of cumulative foreign earnings as of December 31, 2017. We recognized a provisional amount of \$18,001 as an additional income tax expense in the fourth quarter of 2017. This amount included \$11,734 related to the mandatory deemed one-time transition tax and \$6,267 related to the remeasurement of certain deferred tax assets and liabilities.

On December 22, 2017, Staff Accounting Bulletin No. 118 ("SAB 118") was issued to address the application of U.S. GAAP in situations when a registrant does not have the necessary information available, prepared, or analyzed (including computations) in reasonable detail to complete the accounting for certain income tax effects of the Tax Act. The remeasurement period for SAB 118 ended on December 22, 2018, and upon completion of our analysis we determined the final impact of the Tax Act resulted in an additional tax benefit of \$348 during the fourth quarter of 2018. This amount included a \$589 tax benefit related to the one-time transition tax and \$241 tax expense related to the remeasurement of certain deferred tax assets and liabilities.