

The deferred tax assets and liabilities result from differences in the timing of the recognition of certain income and expense items for tax and financial accounting purposes. The sources of these differences at each balance sheet date are as follows (in thousands):

	December 31,	
	2019	2018
Deferred income tax assets:		
Net operating loss carryforwards	\$ 23,030	\$ 25,745
Tax credits	52,902	43,838
Compensation	18,791	15,934
Deferred revenue	25,599	27,587
Research and development expense deferral	—	12,631
Other	4,065	5,393
Gross deferred income tax assets	124,387	131,128
Less: valuation allowance	(7,653)	(20,415)
Net deferred income tax assets	\$ 116,734	\$ 110,713
Deferred income tax liabilities:		
Depreciation and amortization	\$ (52,978)	\$ (60,872)
Deferred revenue	(44,198)	(54,508)
Total deferred income tax liabilities	(97,176)	(115,380)
Net deferred income taxes	\$ 19,558	\$ (4,667)
Deferred income taxes / liabilities included in the balance sheet are:		
Deferred income tax asset – noncurrent	\$ 51,611	\$ 27,048
Deferred income tax liability – noncurrent	(32,053)	(31,715)
Net deferred income taxes	\$ 19,558	\$ (4,667)

In assessing the realizability of deferred tax assets, the Company considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. The Company considers projected future taxable income, carryback opportunities, and tax planning strategies in making this assessment. Based upon the level of historical taxable income and projections for future taxable income over the periods which the deferred tax assets are deductible, the Company believes it is more likely than not that it will realize the benefits of these deductible differences, net of the valuation allowances recorded. During the year ended December 31, 2019, the Company decreased its valuation allowance by \$12.8 million which relates to a reduction in the valuation allowance on U.S. foreign tax credits offset by an increase in valuation allowance on foreign net operating losses.

At December 31, 2019, the Company had domestic federal tax net operating losses (“NOLs”) of \$65.9 million, which will begin to expire in 2020. The Company had deferred tax assets equal to \$1.4 million related to domestic state tax NOLs which will begin to expire in 2020. The Company does not have any valuation allowance against the federal tax NOLs but has provided a \$1.2 million valuation allowance against the deferred tax asset associated with the state NOLs. The Company had foreign tax NOLs of \$30.4 million, of which \$28.1 million may be utilized over an indefinite life, with the remainder expiring over the next 17 years. The Company has provided a \$0.7 million valuation allowance against the deferred tax asset associated with the foreign NOLs.

The Company had U.S. foreign tax credit carryforwards at December 31, 2019, of \$40.7 million, for which an \$1.2 million valuation allowance has been provided. The U.S. foreign tax credits will begin to expire in 2022. The Company had foreign tax credit carryforwards in other foreign jurisdictions at December 31, 2019, of \$1.9 million, of which \$1.3 million may be utilized over an indefinite life, with the remainder expiring over the next seven years. The Company has provided a \$1.2 million valuation allowance against the tax benefit associated with these foreign credits. The Company also has domestic federal and state general business tax credit carryforwards at December 31, 2019, of \$15.7 million and \$0.8 million, respectively, which will begin to expire in 2020 and 2022, respectively.

The unrecognized tax benefit at December 31, 2019 and 2018, was \$29.0 million and \$28.4 million, respectively, of which \$22.4 million and \$22.6 million, respectively, are included in other noncurrent liabilities in the consolidated balance sheets. Of the total