	2013	2014
	(In thousands)	
Deferred tax assets:		
Accrued expenses	$ 5,772	$ 6,936
Net operating loss carryforwards	31,985	32,147
Stock-based compensation	7,524	13,142
Fair value investments	2,936	3,708
Other	4,450	3,172
Total deferred tax assets	52,667	59,105
Less valuation allowance	(23,202)	(24,805)
Net deferred tax assets	29,465	34,300
Deferred tax liabilities:		
Intangible and other assets	(67,554)	(69,131)
Other	(4,682)	(6,028)
Total deferred tax liabilities	(72,236)	(75,159)
Net deferred tax liabilities	$ (42,771)	$ (40,859)

At December 31, 2014, the Company has federal and state net operating losses ("NOLs") of $24.4 million and $8.3 million, respectively. If not utilized, the federal NOLs will expire at various times between 2031 and 2034, and the state NOLs will expire at various times between 2015 and 2034. Utilization of federal and state NOLs will be subject to limitations under Section 382 of the Internal Revenue Code, and applicable state law. At December 31, 2014, the Company has foreign NOLs of $78.3 million available to offset future income. Of these foreign NOLs, $75.4 million can be carried forward indefinitely and $2.9 million will expire at various times between 2015 and 2034. During 2014, the Company recognized tax benefits related to NOLs of $0.8 million.

During 2014, the Company's valuation allowance increased by $1.6 million primarily due to an increase in federal NOLs. At December 31, 2014, the Company has a valuation allowance of $24.8 million related to the portion of NOLs and other items for which it is more likely than not that the tax benefit will not be realized.

Table of Contents

A reconciliation of the income tax provision to the amounts computed by applying the statutory federal income tax rate to earnings before income taxes is shown as follows:

	Years ended December 31,		
	2012	2013	2014
	(In thousands)		
Income tax provision at the federal statutory rate of 35%	$ 52,400	$ 65,535	$ 75,472
Change in tax reserves, net	1,970	(4,524)	(283)
State income taxes, net of effect of federal tax benefit	2,433	2,814	3,826
Foreign income taxed at a different statutory rate	(205)	(976)	(975)
Non-taxable contingent consideration fair value adjustments	—	—	(4,439)
Non-taxable foreign currency exchange gains	—	—	(4,107)
Non-deductible impairment of long-term marketable security	3,040	—	—
Other, net	(206)	(2,233)	(2,217)
Income tax provision	$ 59,432	$ 60,616	$ 67,277

No income taxes have been provided on indefinitely reinvested earnings of certain foreign subsidiaries aggregating $360.8 million at December 31, 2014. The estimated amount of the unrecognized deferred income tax liability with respect to such earnings would be $66.0 million.

A reconciliation of the beginning and ending amount of unrecognized tax benefits, excluding interest, is as follows:

	December 31,		
	2012	2013	2014
	(In thousands)		
Balance at January 1	$ 12,833	$ 16,788	$ 11,215
Additions based on tax positions related to the current year	1,780	1,188	201
Additions for tax positions of prior years	2,517	665	490
Reductions for tax positions of prior years	(14)	(12)	(60)
Settlements	(328)	(4,724)	—
Expiration of applicable statute of limitations	—	(2,690)	(911)
Balance at December 31	$ 16,788	$ 11,215	$ 10,935

The Company recognizes interest and, if applicable, penalties related to unrecognized tax benefits in the income tax provision. At both December 31, 2013 and 2014, the Company has accrued $1.2 million, respectively, for the payment of interest. At December 31, 2013 and 2014, the Company has accrued $2.3 million and $2.4 million, respectively, for penalties.

Match Group, Inc. is routinely under audit by federal, state, local and foreign authorities in the area of income tax as a result of previously filed separate company and consolidated tax returns with IAC. These audits include questioning the timing and the amount of income and deductions and the allocation of income and deductions among various tax jurisdictions. The Internal Revenue Service is currently auditing IAC's federal income tax returns for the years ended December 31, 2010 through 2012, which includes the operations of Match Group, Inc. Various other jurisdictions are open to examination for various