

**Table of Contents**

**FIRST DATA CORPORATION**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

valuation allowance, the Company has considered a tax planning strategy related to its investments in affiliates. Implementation of this strategy would result in the immediate reversal of temporary differences associated with the excess of book basis over tax basis in the investments. This planning strategy would be implemented only in the event of anticipated expiration of significant net operating losses in the United States federal jurisdiction, which is not expected in the near term.

The following table presents the amounts of federal, state, and foreign net operating loss carryforwards and foreign tax credit, general business credit, and minimum tax credit carryforwards:

<u>(in millions)</u>	<u>As of December 31,</u> <u>2014</u>
Federal net operating loss carryforwards (a)	\$ 2,828
State net operating loss carryforwards (a)	4,719
Foreign net operating loss carryforwards (b)	2,763
Foreign tax credit carryforwards (c)	216
General business credit carryforwards (d)	12
Minimum tax credit carryforwards (e)	2

- (a) If not utilized, these carryforwards will expire in years 2015 through 2034.  
(b) Foreign net operating loss carryforwards of \$62 million, if not utilized, will expire in years 2015 through 2034. The remaining foreign net operating loss carryforwards of \$2.7 billion have an indefinite life.  
(c) If not utilized, these carryforwards will expire in years 2018 through 2024.  
(d) If not utilized, these carryforwards will expire in years 2027 through 2033.  
(e) These carryforwards have an indefinite life.

In addition to the federal net operating loss carryforwards stated above, as a result of being a part of the U.S. consolidated tax return filing with FDH, the Company is allocated another \$464 million of net operating loss as of December 31, 2014.

The Company intends to indefinitely invest its net equity in its foreign operations, with the exception of any undistributed foreign earnings. Accordingly, as of December 31, 2014, no provision had been made for U.S. federal and state income taxes on the cumulative amount of temporary differences related to investments in foreign subsidiaries, other than those differences related to the undistributed earnings. Upon sale or liquidation of these investments, the Company would potentially be subject to U.S., state, and foreign income taxes and withholding taxes payable to the various foreign countries. Determination of the amount of unrecognized deferred tax liability is not practicable because of the complexities associated with its hypothetical calculation.