Lines of Credit

On July 18, 2019, the company extended the maturity date of its existing $10.25 billion Five-Year Credit Agreement by a period of one year. In addition, the company and IBM Credit LLC extended the maturity date of their existing $2.5 billion Three-Year Credit Agreement by a period of one year. Finally, the company and IBM Credit LLC entered into a new $2.5 billion, 364-Day Credit Agreement to replace the maturing $2.5 billion, 364-Day Credit Agreement. The new maturity dates for the Five-Year and Three-Year Credit Agreements are July 20, 2024 and July 20, 2022, respectively. Each of the facility sizes remained unchanged. The total expense recorded by the company related to the Five-Year Credit Agreement was $7.4 million in 2019, $6.7 million in 2018 and $6.1 million in 2017. The total expense recorded by the company related to the 364-Day and Three-Year Credit Agreements was $2.3 million in 2019, $2.1 million in 2018 and $2.8 million in 2017. The Five-Year Credit Agreement permits the company and its subsidiary borrowers to borrow up to $10.25 billion on a revolving basis. Borrowings of the subsidiary borrowers will be unconditionally backed by the company. The company may also, upon the agreement of either existing lenders, or of additional banks not currently party to the Five-Year Credit Agreement, increase the commitments under the Credit Agreement up to an additional $1.75 billion. The 364-Day Credit Agreement and the Three-Year Credit Agreement allow the company and IBM Credit (each a “Borrower”) to borrow up to an aggregate of $5 billion on a revolving basis. Neither Borrower is a guarantor or co-obligor of the other Borrower under the 364-Day and Three-Year Credit Agreements. Subject to certain conditions stated in the Five-Year, 364-Day and Three-Year Credit Agreements (the “Credit Agreements”), the Borrowers may borrow, prepay and re-borrow amounts under the Credit Agreements at any time during the term of such agreements. Funds borrowed may be used for the general corporate purposes of the Borrowers.

Interest rates on borrowings under the Credit Agreements will be based on prevailing market interest rates, as further described in the Credit Agreements. The Credit Agreements contain customary representations and warranties, covenants, events of default, and indemnification provisions. The company believes that circumstances that might give rise to breach of these covenants or an event of default, as specified in the Credit Agreements, are remote. The company also has other committed lines of credit in some of the geographies which are not significant in the aggregate. Interest rates and other terms of borrowing under these lines of credit vary from country to country, depending on local market conditions.

As of December 31, 2019, there were no borrowings by the company, or its subsidiaries, under these credit facilities.

NOTE Q. OTHER LIABILITIES

($ in millions)

At December 31:	2019	2018
Income tax reserves	$ 5,118	$ 4,195
Excess 401(k) Plus Plan	1,521	1,380
Disability benefits	478	507
Derivative liabilities	506	206
Workforce reductions	725	736
Deferred taxes*	5,230	3,696
Other taxes payable	42	40
Environmental accruals	254	244
Warranty accruals	45	76
Asset retirement obligations	94	111
Acquisition related	9	13
Divestiture related	65	173
Other	439	796
Total	$14,526	$12,174

* The increase in the balance at December 31, 2019 was primarily related to the acquisition of Red Hat.

In response to changing business needs, the company periodically takes workforce reduction actions to improve productivity, cost competitiveness and to rebalance skills. The noncurrent contractually obligated future payments associated with these activities are reflected in the workforce reductions caption in the previous table. The noncurrent liabilities are workforce accruals related to terminated employees who are no longer working for the company who were granted annual payments to supplement their incomes in certain countries. Depending on the individual country’s legal requirements, these required payments will continue until the former employee begins receiving pension benefits or passes away. The total amounts accrued for workforce reductions, including amounts classified as current in the Consolidated Balance Sheet were $950 million and $941 million at December 31, 2019 and 2018, respectively.

The company employs extensive internal environmental protection programs that primarily are preventive in nature. The company also participates in environmental assessments and cleanups at a number of locations, including operating facilities, previously owned facilities and Superfund sites. The company’s maximum exposure for all environmental liabilities cannot be estimated and no amounts have been recorded for non-ARO environmental liabilities that are not probable or estimable. The total amounts accrued for non-ARO environmental liabilities, including amounts classified as current in the Consolidated Balance Sheet, that do not reflect actual or anticipated insurance recoveries, were $270 million and $255 million at December 31, 2019 and 2018, respectively. Estimated environmental costs