The following table summarizes the activity related to the restructuring liabilities associated with the Company's restructuring initiatives for the nine months ended December 31, 2020:

(In millions)	U.S. Pharmaceutical	International	Medical-Surgical Solutions	Prescription Technology Solutions	Corporate	Total
Balance, March 31, 2020 (1)	$ 29	$ 66	$ 22	$ 1	$ 39	$ 157
Restructuring, impairment, and related charges	18	74	4	—	60	156
Non-cash charges	—	(40)	(1)	—	(9)	(50)
Cash payments	(24)	(24)	(19)	(1)	(64)	(132)
Other	—	(1)	—	—	2	1
Balance, December 31, 2020 (2)	$ 23	$ 75	$ 6	$ —	$ 28	$ 132

(1) As of March 31, 2020, the total reserve balance was $157 million, of which $118 million was recorded in Other accrued liabilities and $39 million was recorded in Other non-current liabilities.

(2) As of December 31, 2020, the total reserve balance was $132 million, of which $101 million was recorded in Other accrued liabilities and $31 million was recorded in Other non-current liabilities.

Long-Lived Asset Impairments

During the third quarter of 2021, the Company recognized charges of $115 million to impair certain long-lived assets within the Company's International segment. These charges primarily related to long-lived assets associated with the Company's retail pharmacy businesses in Canada and Europe and were due to declines in estimated future cash flows partially driven by a revised outlook regarding the impacts of COVID-19. The Company used both an income approach (a discounted cash flow ("DCF") method) and a market approach to estimate the fair value of the long-lived assets.

During the third quarter of 2020, the Company recognized charges of $94 million to impair certain long-lived assets within the Company's International segment. These charges primarily related to long-lived assets associated with the Company's retail pharmacy businesses in the U.K. and Canada due to declines in estimated future cash flows driven by government reimbursement reductions and lower than expected growth in both prescription volume and sales of non-prescription goods, respectively. The Company used both income (DCF) and market approaches to estimate the fair value of the long-lived assets.

The fair value of the long-lived assets is considered a Level 3 fair value measurement due to the significance of unobservable inputs developed using company specific information. Refer to Financial Note 12, "Fair Value Measurements," for more information on nonrecurring fair value measurements.

5. Income Taxes

During the three months ended December 31, 2020 and 2019, the Company recorded an income tax benefit of $1.2 billion and income tax expense of $47 million, respectively. During the nine months ended December 31, 2020 and 2019, the Company recorded an income tax benefit of $1.0 billion and $111 million, respectively. The Company reported an income tax benefit rate of 16.1% and an income tax expense rate of 16.0% for the three months ended December 31, 2020 and 2019, respectively, and income tax benefit rates of 16.7% and 194.7% for the nine months ended December 31, 2020 and 2019, respectively. Fluctuations in the Company's reported income tax rates are primarily due to changes within the mix of earnings between various taxing jurisdictions, discrete items recognized in the quarters, including the impact of an intercompany sale of intellectual property during the nine months ended December 31, 2020, and impairment to the Company's investment in the Change Healthcare JV, decreasing pre-tax income, for the nine months ended December 31, 2019. The charge for opioid-related claims of $8.1 billion ($6.7 billion after-tax), as described further in Financial Note 13, "Commitments and Contingent Liabilities," unfavorably impacted the Company's reported income tax benefit rates for the three and nine months ended December 31, 2020. Income tax benefit (expense) for the three and nine months ended December 31, 2019 included a discrete tax benefit of $24 million recognized in connection with a planned divestiture in the Medical-Surgical Solutions segment and $21 million recognized in connection with an agreement executed in December 2019 to settle all opioid-related claims filed by two Ohio counties.

During the second quarter of 2021, the Company sold intellectual property between wholly-owned legal entities within McKesson that are based in different tax jurisdictions. The transferor entity recognized a gain on the sale of assets which was not subject to income tax in its local jurisdiction; such gain was eliminated upon consolidation. The acquiring entity of the intellectual property is entitled to amortize the purchase price of the assets for tax purposes. In accordance with ASU 2016-16, "Intra-Entity Transfers of Assets Other Than Inventory," a discrete tax benefit of $105 million was recognized for the nine months ended December 31, 2020 with a corresponding increase to a deferred tax asset for the temporary difference arising from the buyer's excess tax basis.

During the three and nine months ended December 31, 2019, no tax benefit was recognized for the pre-tax impairment charge of $282 million for the remeasurement of assets and liabilities held for sale to fair value related to the formation of a new German pharmaceutical wholesale joint venture within the Company's International segment. Refer to Financial Note 3, "Held for Sale," for more information on this transaction which closed on November 1, 2020.

As of December 31, 2020, the Company had $1.5 billion of unrecognized tax benefits, of which $1.4 billion would reduce income tax expense and the effective tax rate if recognized. The increase of $497 million during the three months ended December 31, 2020 in unrecognized tax benefit is mainly due to uncertainty in connection with the deductibility of Opioid related litigation and claims. Because many of the uncertainties associated with any potential settlement arrangements or other resolution of opioid claims, including provisions related to deductibility, have not been finalized, the actual amount of the tax benefit related to uncertain tax positions may differ from these estimates. Refer to Financial Note 13, "Commitments and Contingent Liabilities," for more information. During the next twelve months, it is reasonably possible that the Company's unrecognized tax benefits may decrease by as much as $93 million due to settlements of tax examinations and statute of limitations expirations in the U.S. federal and state jurisdictions and in foreign jurisdictions. However, this amount may change as the Company continues to have ongoing negotiations with various taxing authorities throughout the year. The unrecognized tax benefit may also increase or decrease due to future developments in the Opioid related litigation and claims.

The Company files income tax returns in the U.S. federal jurisdiction, various U.S. state jurisdictions, and various foreign jurisdictions. The Internal Revenue Service ("IRS") is currently examining the Company's U.S. corporation income tax returns for 2016 through 2019. The Company is generally subject to audit by taxing authorities in various U.S. states and in foreign jurisdictions for fiscal years 2013 through the current fiscal year.

6. Redeemable Noncontrolling Interests and Noncontrolling Interests

Redeemable Noncontrolling Interests

The Company's redeemable noncontrolling interests primarily relate to its consolidated subsidiary, McKesson Europe AG ("McKesson Europe"). Under the December 2014 domination and profit and loss transfer agreement (the "Domination Agreement"), the noncontrolling shareholders of McKesson Europe are entitled to receive an annual recurring compensation amount of €0.83 per share. As a result, the Company recorded a total attribution of net income to the noncontrolling shareholders of McKesson Europe of $11 million and $32 million during the three and nine months ended December 31, 2020, respectively, and $11 million and $33 million during the three and nine months ended December 31, 2019, respectively. All amounts were recorded in Net income attributable to noncontrolling interests in the Company's Condensed Consolidated Statements of Operations and the corresponding liability balance was recorded in Other accrued liabilities in the Company's Condensed Consolidated Balance Sheets.