

TOP BOUTIQUES IN CALIFORNIA 2016



Sam Attal / Special to the Daily Journal

From left, John M. Goralka and Kiran K. Dhillon.

ESTATE AND TAX PLANNING

Goralka Law Firm PC

SACRAMENTO

Chicken pox almost derailed John M. Goralka's first day as a sole practitioner 20 years ago. Goralka, a divorced father with two children showing symptoms of the disease, was unable to leave them at day care. Worried about exposing others and facing a new environment with a secretary, clients and an elevator full of physicians who worked on another floor, he brought his kids to work. His 6-year-old, Elizabeth, made sure the white-coated doctors knew she and 3-year-old Patrick were afflicted.

Goralka tells his firm's origin story as a cautionary tale for lawyers entering on a sole proprietorship model, as a tribute to client

loyalty and as an explanation for why he formed his own firm to focus on his kids.

"I am blessed to have a talented, motivated and caring team of three lawyers and four support staff," Goralka said of his firm today. "We have an extended client family that we are honored to assist in family estate planning and related work."

Goralka said he had worked as an auditor for the state Franchise Tax Board while attending University of the Pacific McGeorge School of Law at night. Then he joined a small firm to do tax audits, but prioritizing his kids wasn't easy. "I always felt uncomfortable leaving

at 3 p.m. to pick up my kids, do yard duty at school or help coach their soccer, baseball or basketball teams. It often meant working at night while the kids were in bed." Starting his own firm gave him flexibility as a father who shared joint custody of his kids. His first clients as a solo came as a referral from a certified public accountant with whom he had worked.

Also, owning his firm let him broaden his practice. "If you're doing tax audit work, it is a very specialized field," Goralka said. "I found I liked helping people in areas other than tax. Now, I have about 4,000 clients in long-term relationships. I see people at the time of significant changes in their life. We help clients preserve, protect and enhance their family legacies through planning their estates and income taxes and administering their estates and trusts."

Family is important. "Our business helps ensure that clients' family values are passed on to their children and beyond," Goralka said. "We assess each case carefully to determine the best option for each client's needs. This approach is what drives our success and leaves clients satisfied."

In 2016, Goralka represented a woman who, he said, inadvertently withdrew \$600,000 from her inherited individual retirement account in an attempt to transfer the money to a different tax-deferred fund. "Instead, she moved the funds from a qualified into an unqualified fund — a mistake that would have cost

her \$300,000 in taxes, rendering half of the IRA completely useless," Goralka said. The IRA had been established by the woman's father, a Ghanaian immigrant who had saved the money for his children. "The client was understandably distraught, and most attorneys had told her there was nothing she could do." Working with the IRS and the Franchise Tax Board, Goralka was able to defer collection. And by arguing that his client was misled by the internal transfer paperwork, he negotiated with the financial institution involved to correct the matter by placing the money back into the original IRA as if it had never been withdrawn.

Goralka amplifies the family-like atmosphere he seeks to foster with bimonthly "Wine Wednesday" events at his offices. They give clients an opportunity to connect with each other and become more familiar with the firm in an informal atmosphere, he said. "Twenty to 40 people come in. I bring wine, I cook a little, like a Crock-Pot soup or stew. It's a nice opportunity to see people."

As for the kids, Elizabeth has a master's degree from UCLA and is working in southern California. Patrick has a year of college left. "Life doesn't always go as planned," Goralka said. "I remember times when I had no choice but to bring the kids along to court. I never did get busted by the bailiffs. You just have to deal with it."

—John Roemer

