



**AUGUST 2024 NEWSLETTER**

## Memories of Kids and Pets

by John M. Goralka, Esq.

*The bond between humans and dogs is often described as special, but my experiences with Zeke, Buddy and Spike took that connection to a whole new level. These weren't just pets; they were integral members of our family, bringing joy, laughter, and an unexpected depth of emotion into our lives.*

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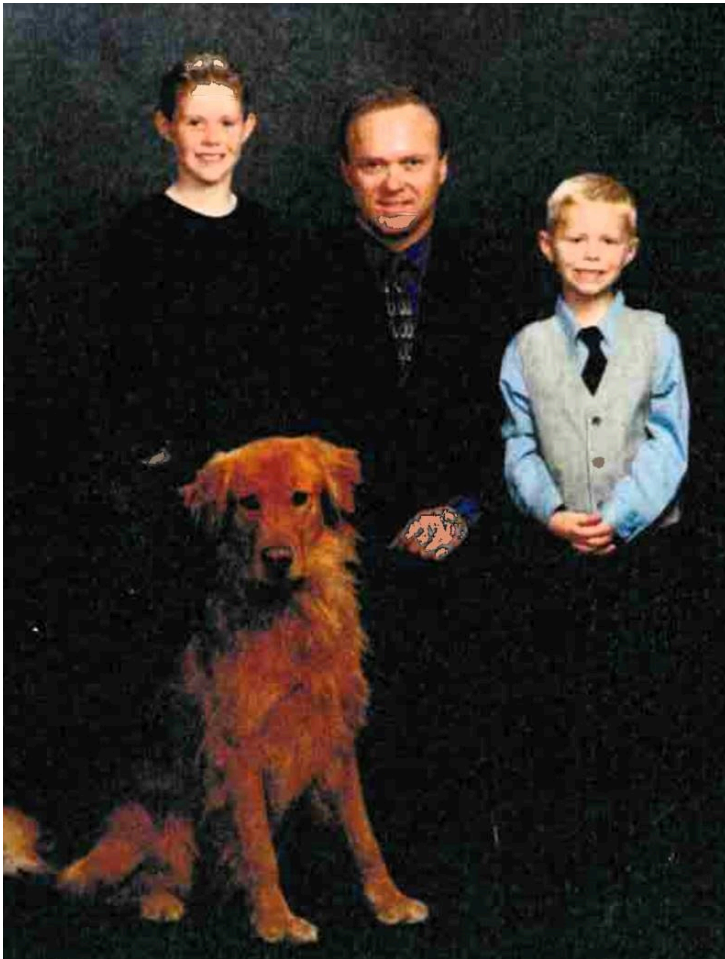
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**RECIPE OF THE MONTH:**



When my daughter was about 5 or 6 years old, she decided that she needed a dog. My daughter was/is always both persistent and creative. She would print and leave laying around lists and personality descriptions of different dog breeds. She was wearing me down.

I was a single parent with a 5 year old and 3 year old. I was also running a new Law Firm. I already did "yard duty" at the school lunch time, left early to pick them up from school and was very focused on the kids. I was completely overwhelmed but did not want to actually admit that to Elizabeth.

I had a second reason. When I was in college I adopted a beautiful, energetic Irish setter, Zeke. He was an amazing dog. Irish setters are described generally as being very high strung. Zeke was not, but he was exceedingly friendly. When I was going to rent out a former home which had a metal gate

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## THOUGHTS OF THE DAY

***"When people walk away, let them. Your future is not about people who walk away. It's about the people who stay in it for the ride."***

- Unknown

***"Try not to become a person of success, but rather try to become a person of value. He is considered successful in our day who gets more out of life than he puts in. But a person of value will give more than he receives."***

- Albert Einstein

***"What a wonderful thought it is that some of the best days of our lives haven't even***

that a guest had to pass through to get to the yard and front door to enter, they would have to pass by Zeke. I came home to a note which...[Read On](#)

***happened yet.”***

- Anne Frank

-John



## Does Your Estate Plan Protect Your Loved Ones From Themselves?

by John M. Goralka, Esq.

*Can your children or other loved ones be trusted to have unfettered control over substantial assets and cash?*



Many clients look at their assets and think, “I really don’t have that much. My estate plan can be very simple.” However, you have worked a lifetime and likely

hope to leave a legacy of both family values and assets to help guide the next generation.

I've found that most people, both clients and advisers, do not understand this simple concept: "The cash people receive from you is more cash than you have." What does this mean?

Take me, for example. I have a home that has significant equity. I don't plan to sell this home in my lifetime because, I love living in my home. However, in more than 80% of the trust estates we manage (and we have managed over 2,000 trust estates in the past 28 years), the house will most likely be sold to provide for distribution to the children.

I hold investment and retirement accounts. I do not liquidate these assets because...

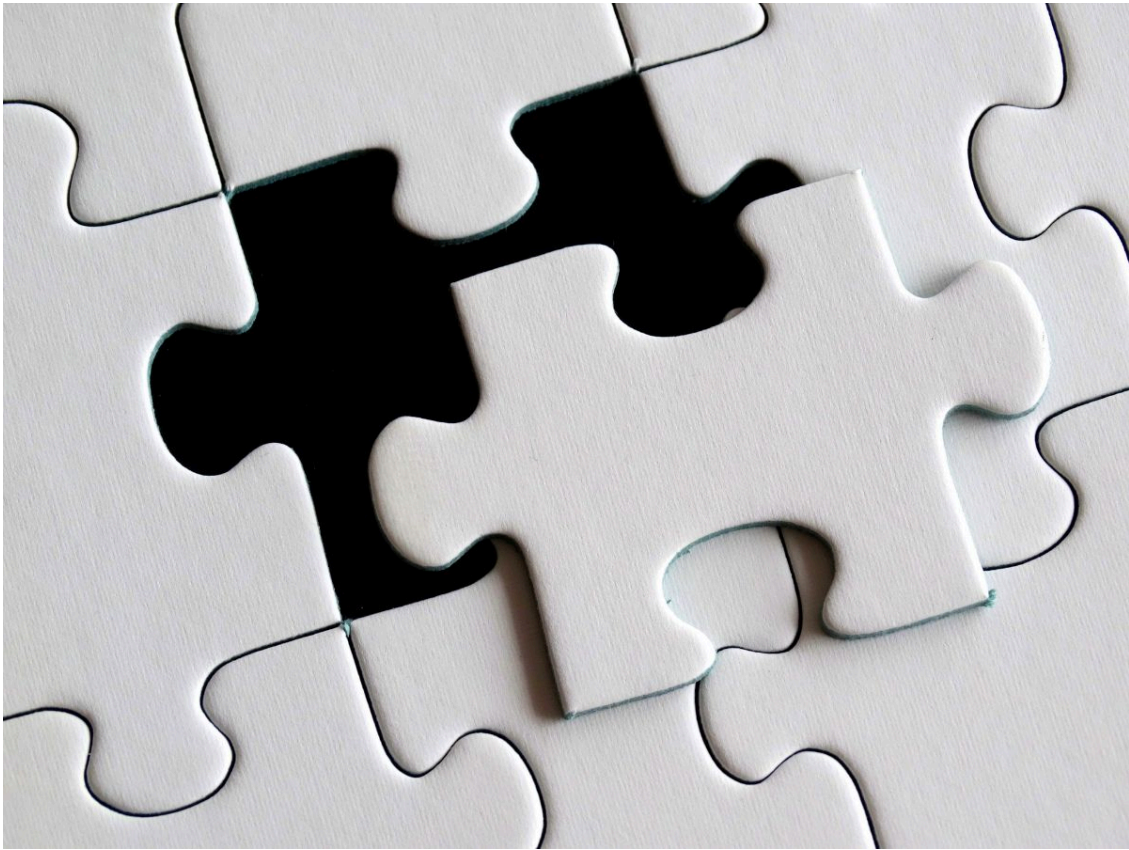
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## How to Fix a Trust Dilemma to Prevent a Tax Bomb

by John M. Goralka, Esq.

*A bypass, or AB, trust splits into two trusts when one spouse in a married couple dies, cutting the estate taxes for beneficiaries.*





Many clients and even other professionals are unaware that an irrevocable bypass trust, or funded B trusts, can be corrected to prevent higher ordinary income tax during the surviving spouse's lifetime and higher capital gains tax upon the surviving spouse's death. To understand the issue, a little history and background are needed.

First, every U.S. citizen is entitled to a lifetime credit against estate tax. This works like a very large standard deduction on an income tax return. Net estate values below this amount are not subject to estate tax.

The estate tax exemption is presently at \$13.61 million, or a combined \$27.22 million for a married couple. A net estate value in excess of that exemption is subject to a 40% tax. Not too terribly long ago (in estate planning terms), this exemption was only \$500,000. Net estates with value in excess of that amount were subject to a 60% tax. Almost everyone was worried about...

[READ MORE](#)

# What is a Certified Specialist?

by John M. Goralka, Esq.

***WATCH THIS VIDEO***



The State Bar of California has a 'Certified Specialist' program of its attorneys. This video explains the qualifications attorneys must meet according to the State of California's website. I am a Certified Specialist in Taxation and also in Estate Planning, Trust & Probate law. Fewer than 100 attorneys have this dual certified specialty in the State of California.

# In the News: John Saves Tax Client from Franchise Tax Board

by John M. Goralka, Esq.

*John challenged the California Franchise Tax Board for a client and prevailed!*



Our Client received \$2.9 million two weeks after changing his state of residency from California to Colorado. These funds were deferred compensation and retirement payments related to many years of services as a highly compensated employee for a national company while a California resident.

The California Franchise Tax Board asserted that the funds were related to the services performed as an employee as a California resident and taxable to California. After an 18 month battle, The Goralka Law Firm was able to establish that Federal Law precluded California from taxing these funds because my client was now a Colorado resident. The California Franchise Tax Board withdrew its notice as a result of the appeal and protest. The tax, penalties and interest saved amounted to approximately \$1 million.

# On the Calendar: National Chocolate Chip Cookie Day

by John M. Goralka, Esq.

*A humbling moment that we can all relate to put the future cookie queen on her entrepreneurial path. If Mrs. Fields could turn a humiliating foible around to become a success, so can the rest of us.*



National Chocolate Chip Cookie Day was on August 4, and it gives us an opportunity to dunk America's #1 favorite cookie in a tall glass of ice cold milk, coffee, or tea! Whether yours are homemade or store bought, the only way to celebrate is to indulge in chocolate chip cookies.

Who would have thought that a humble chocolate chip cookie could hold the key to entrepreneurial success? We invite you to discover the inspiring story of Mrs. Fields. From humble beginnings to a nationwide empire, her journey is a testament to the power of perseverance, innovation, and a whole lot of heart. Join us as we explore the lessons we can learn from this cookie queen and how they can be applied to your own aspirations.

[LEARN MORE](#)



## CLIENT TESTIMONIALS

***"My younger brother had a horrific work-related accident back in the mid 1980's. My parents worked with a group of attorneys to settle his case. A very large monetary settlement was paid which would have been subject to probate fees, costs and estate tax. A part of that group was an estate planning law firm that employed John Goralka.***

***John worked closely with my parents as he created a trust to avoid conservatorship during my brother's life. John's trust also prevented probate costs and estate tax upon his death. John was able to create that despite the fact that my brother lacked the capacity due to the accident.***

***My parents later hired John to advise and help them oversee and administer the trust..." [Read the full testimonial here.](#)***

- Dave A.

***"Everyone in the firm was knowledgeable, courteous, and friendly. A very professional firm and I would recommend them to anyone looking for help in this matter."***

- John S.

***"You have been excellent to work with. John Goralka is kind, patient, understanding, and most importantly is excellent at explaining the "in's" and "out's" of living trusts in terms that everyone can understand."***

- Simone P.

***"We are very pleased with all the aspects of our experience with your firm. John made the process understandable to me by taking the extra time to explain all documents and answer all questions."***

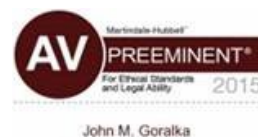
- Lori and Dean D.

**READ MORE CLIENT TESTIMONIALS**



Thanks to all of our clients for their business and referrals over the years. Reviews like these are a reminder about why we do what we do and reaffirms that we are not simply just preparing legal documents, but we're cultivating relationships and really helping families and their loved ones with transformational changes for generations to come.

Can you do us a huge favor and take a couple minutes of your time to leave us some feedback and a review online at one (or more) of the following websites:



**RECIPE OF THE MONTH**  
*Barbecued Chicken Salad Sandwiches*

Craving a lunch that's both flavorful and satisfying? Look no further than these BBQ Chicken Salad Sandwiches. This recipe takes juicy, grilled chicken and combines it with a tangy barbecue sauce and creamy mayonnaise for a sandwich that's bursting with taste. It's perfect for picnics, potlucks, or a quick and easy weeknight meal.



Total Time: About 1 hour

- Prep: 15 min. + marinating
- Cook / Grill: 15 min. + cooling

Servings: 8

### **INGREDIENTS**

- 1-1/2 pounds boneless skinless chicken breasts
- 1/2 cup barbecue sauce
- 1 cup mayonnaise
- 1/2 cup finely chopped onion
- 1/2 cup chopped celery
- 1/4 teaspoon salt
- 1/4 teaspoon crushed red pepper flakes
- 8 kaiser rolls, split
- 8 tomato slices
- 8 lettuce leaves

### **DIRECTIONS**

1. Place the chicken in a shallow baking dish; add barbecue sauce. Turn to coat; cover. Refrigerate overnight.
2. Grill chicken, covered, over medium-high heat until a thermometer reads 165°, 6-8 minutes on each side. Cool; cover and refrigerate chicken until chilled.

3. Chop chicken; place in a large bowl. Stir in the mayonnaise, onion, celery, salt and pepper flakes. Serve on rolls with tomato and lettuce.

Enjoy! 😊

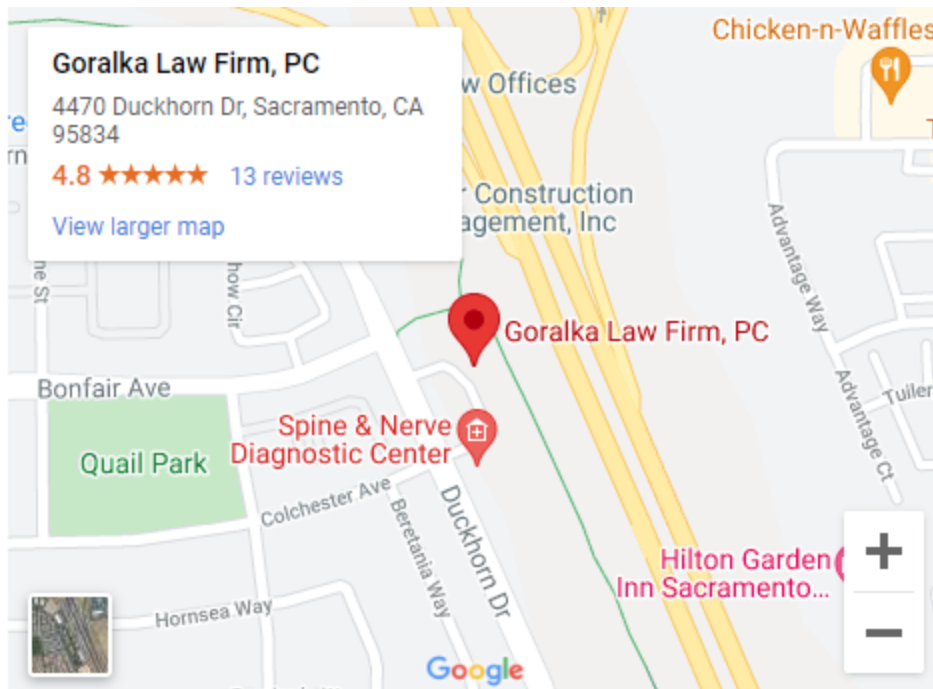
Recipe courtesy of: <https://www.tasteofhome.com/recipes/barbecued-chicken-salad-sandwiches/>

## CONTACT US

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*NOTE: The client testimonials featured in this newsletter and on our website are from actual clients of The Goralka Law Firm, P.C. Their full names have been redacted to protect their privacy. These client testimonials do not guarantee your particular results.*

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