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Goodson Wachtel and Petrulis APC

It's a law firm that has a straightforward mission in a complicated legal arena.

"Our goal is simply to assure that the wealth one generation has worked their hearts and souls to secure is not lost through foolishness, to creditors, or to the government," says Edward W. Wachtel, a member of Goodson Wachtel and Petrulis APC (GWP). "Our specialty is tax work in a family framework, working mostly with closely held businesses."

The Los Angeles-based boutique has a legacy of innovation in the areas of tax; estate planning and administration; trust and probate litigation; and closely held business organizations. Members of the firm have handled tax and corporate governance issues for some of the largest privately held companies in California and trust and estate planning issues for some of the wealthiest families and individuals in the country.

"I like to think of myself as a fix-it guy," says member Kenneth G. Petrulis, the firm's expert in trust and estate administration and litigation. "A lot of people come to me as a last resort. Their trusts may be faulty for any number of reasons. They will go to several law firms and not find good solutions. We put our tax skills together with our administrative and litigation skills and fix it. We take pride in our creativity where others have failed."

"We get excited when a client comes to us and says, 'Somebody else told me that can't be done.' We like to give things a second look. We often can figure out a way it can be done."

— Ed Wachtel, member, Goodson Wachtel and Petrulis APC

The firm's pioneering legal lineage traces back to its late founder, Marvin Goodson, who started the practice in 1952. "He was one of the first lawyers to develop the concept of the living trust and pioneered the use of medical research organizations, which can be private foundations not subject to the restriction on excess business holdings," says member Lemoine Skinner III, a specialist in taxation and closely held business organizations. "We also created unique tax structures that allow inventors to treat earnings from their inventions as capital gains instead of ordinary income."

"These are all strategies the firm inventively employs to this day," says Wachtel. "We seek out tax-efficient ways to transfer wealth between generations, to provide for management succession, and to implement charitable goals."

Sophisticated Solutions for Wealth Preservation

The can-do approach at GWP has resulted in significant solutions for clients. For example:



From left: Attorneys Kenneth G. Petrulis, Edward W. Wachtel and Lemoine Skinner III

- The firm has restructured major trusts that were mixed together, poorly written or unfunded. "We often have been able to successfully separate and restructure trusts in various procedures with the IRS and the courts," says Petrulis.
- Wachtel cites complicated cases involving Ponzi schemes, secreted assets, elder financial abuse, fiduciary abuse and the like where "we managed to locate and protect assets and avoid criminal, property, income and estate tax liability."
- The firm recently advised a major shareholder on corporate and tax issues in the sale of a \$200 million company and managed to avoid reassessment on \$100 million in real estate holdings for a Southern California family.

"Since we have a reputation for innovation, it's not surprising we get a lot of referrals from other lawyers and investment professionals," says Skinner. "When it comes to complex tax situations, an estate or probate issue, we are often the firm at the top of their go-to list."

While the firm doesn't practice family law per se, its tax and estate practices often have the effect of saving families, not just preserving their wealth. "My clients are concerned about taking care of their kids, especially when they run into lawsuits, divorces or substance abuse problems," Petrulis says. "These are situations where the family wealth can be squandered. We can set up innovative estate plans or asset protection plans. It gives families peace of mind to protect their property for the long term."

Wachtel sees a bigger picture in practicing this type of sophisticated tax and estate law. He believes preserving wealth is good for society.

"It's the redeeming social value of our work," he says. "If our clients can employ their wealth and Uncle Sam doesn't get it, our clients will generate more jobs, faster and more efficiently than any government agency or program."