

# CPA

*magazine*

## IRS, Taxes and the Beast:

Author Solves Client's  
Biggest Nightmares

## Impact of the Small Business Act on IRS Representation

# DRIVING FORCES IN TAX ACCOUNTING: 170 MPH TAX ADVICE

Rebecca Machinga, CPA

## PREPARING YOUR CLIENTS

for Schedule  
C Audits

## Practicing in Tax Court

Simple Steps to  
Pass the Exam

## Can Good Tax Advice Go Bad?

## 4 TAX

Advantaged  
Ways to Save  
For College

## HOW TO Survive

Re-Engineered  
IRS Audits

## FIN 48:

New Challenge  
for Tax Advisors

The Venue  
is as Important  
as the Tax Audit



# DRIVING FORCES IN TAX ACCOUNTING:

## 170 MPH TAX ADVICE



by Scott Cytron, ABC

Who says accountants are all work and no play? How about extreme play? Sure, they have busy season, year-round deadlines, practice management issues, and much, much more to deal with, but there comes a time when you have to simply have to chuck it all and simply have fun.

That's what our accountant in this month's cover story does - she excels in her career by guiding her clients, helping them make tax-related, bottom-line decisions for the short- and long-term. You might even say Rebecca Machinga is a driving force - working hard during the day and even harder in her off hours by participating in a sport that demands her mental and physical attention.

At work, Rebecca Machinga, CPA, is a positive influence for herself, her firm and the greater community. At play, Rebecca is all about fast cars, the thrill of the chase and euphoria at speeds far faster than most of us will ever attempt to drive.

"Racing is empowering and it's an absolute rush to be on a race track at speeds upwards of 170 miles an hour, shifting gears and having the roar of the engines of cars all around you," she says. "Racing is so 'out-of-the-box' compared to what I do for a living; I'm definitely not your typical accountant and am very comfortable being a different face of the profession."

And what a different face she truly is. As a partner with WithumSmith+Brown PC, in Princeton, N.J., her day-to-day activities actually are fairly traditional - perhaps that's why the smell of motor oil and the sunlit track appeals to her. As a partner with the accounting and audit group, she concentrates the majority of her efforts on services for closely-held businesses

and their owners, including attest services, tax compliance and tax planning.

"One of the things I enjoy most about what I do is being a business advisor for my clients and working with the owners to address their issues and concerns, especially those that keep them awake at night," says Rebecca. "My client base ranges from very small clients with a few hundred thousand dollars of revenue to multi-million dollar, multi-state, multi-entity conglomerates."

Turns out WithumSmith+Brown was her first full-time job out of college. She was hired for a tax internship her senior year at Trenton State College (now known as The College of New Jersey). She says she had a fantastic experience, accepted their offer after graduation and has been with the firm ever since. Rebecca worked her way up through the ranks and, in July 2005, became the firm's first "home grown" female partner to rise to this position within the firm.

Although she often is involved in special projects for her clients, including mergers, acquisitions, and asset and stock sales, Rebecca also offers advice in tax audits and special tax projects. Following the decrease in tax audits after the IRS Restructuring and Reform Act of 1998, Rebecca says the explosion of tax shelters, tax-avoidance schemes, the taking of aggressive tax positions, and of course, Enron and WorldCom scandals, paved the way for the demand by Congress to increase the quantity and quality of IRS audits.

"The fear of an audit is sometimes the agency's best compliance and collection's weapon," she says. "When taxpayers know they have an increased risk of audit based on the knowledge of

# Audit Fear Sends More Taxpayers In For Tax Advice

increased enforcement in general, they tend to consult more with their tax advisors before playing in the gray areas. Targeting certain industries and problem areas also has put these taxpayers on notice that there is an increased likelihood that they will undergo an audit in the future."

Rebecca also is very involved in other sectors of the accounting profession. Perhaps the most high profile of all of her volunteer work was with the Institute of Management Accountants, where she recently completed her last term as president of the Princeton Chapter, stepping down from the Board to explore other opportunities as well as to devote time to her new daughter.

"My experiences with the IMA have been some of the most rewarding of my professional career," she says. "I had the opportunity to serve in many different leadership roles for the chapter, as well as be involved at the New Jersey Council and national levels on various committees. During my 13-year involvement with the organization, I made many professional contacts and personal friends, attended national conferences and successfully developed my leadership skills."

Rebecca also serves on The College of New Jersey Business School Advisory Board and one of its ad hoc committees, and is one of the chairpersons for the largest annual fundraiser for the University Medical Center at Princeton. Both opportunities expose her to new challenges and gave her the opportunity to meet and work with new people in the business community.

"One of the things I enjoy most about volunteering is making things happen, big or small. Whether it be heading up a committee to create, administer and follow-up on a national survey, organizing monthly chapter meetings, organizing large events or just devoting my time to a worthy cause, I get a charge out of making something happen and getting others

excited to do the same to make whatever it is we're doing successful."

Her vibrant enthusiasm carries over to her passion for racing – and other sports/hobbies as well. For example, she and her husband, Jarod, have flown jet fight-

---

**"One of the things I enjoy most about what I do is being business advisor for my clients and working with the owners to address their issues and concerns ...."**

---

ers and scuba dive. They buy, renovate and build houses in multiple states, and have started and successfully run various businesses, all while holding full-time jobs and developing their own careers. Rebecca jokes that her fall-back career at this point is plumbing or roofing, which she gets plenty of practice doing.



**Rebecca Machinga**

Her interest in racing, however, came as a complete surprise.

"One year I bought Jarod a stock car racing experience at the Pocono Raceway as a Christmas gift. A few weeks before we were going to go to the track for his drive experience, I thought to myself, 'I want to do this, too,' so I bought myself a package and off we went. Looking back at that day, it's still the coolest thing I've ever done. The experience was incredible. You race real stock cars at some serious


speeds, and it's you and you alone in control of that race car."

Just listen to the story of her first driving experience in a stock car:

"After walking into the room of 30 other drivers that morning, all male, and accepting the fact that everyone is going to be watching your every move because you're the only girl, it got a little less intimidating – even after you check out the inside of the car and they show you the fire extinguisher lever to pull if your car catches on fire while on the track.

"I look back at what could have been another mortifying experience and have to laugh. On my second series of laps around the track that day, after I got the flag coming out of turn three to change to 3rd position in my group, I realized, as my foot was to the floor, that the car was slowing down instead of maintaining speed. By the time I got to turn one, the other two cars in my group were out of sight and my car had slowed to about 70 mph, so I pulled to the bottom of the track and waited for the cavalry.

"About two minutes later, I see a fire truck and tow truck screaming around the bend, later finding out they thought I ended up in the wall. As the crew rushed up to my car to ask if I was OK, I remember thinking, 'How am I going to live this down?,' especially since they couldn't get the car started and had to tow it back to the pit. As I was escorted back in the fire truck, helmet in hand, about 200 pairs of eyes were on me, probably all thinking 'The girl can't drive and she broke the car.' About a half hour later, they sheepishly told me the car had run out of gas! After they jokingly announced that I didn't break the car, I got back on the track to finish my laps."

Sounds like a pit stop in an otherwise exciting, often-exhilarating sport. 

*Scott H. Cytron, ABC, is managing editor of CPA Magazine. Contact him at [scott@cpamagazine.com](mailto:scott@cpamagazine.com).*