

15-HOUR CALIFORNIA REAL ESTATE TAX LAW COURSE (QUALIFYING EDUCATION) PRACTICE TEST (SAMPLE)

STUDY GUIDE



SAMPLE STUDY GUIDE WITH LIMITED QUESTIONS

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Introduction

Preparing for a certification exam can feel overwhelming, but with the right tools, it becomes an opportunity to build confidence, sharpen your skills, and move one step closer to your goals. At Examzify, we believe that effective exam preparation isn't just about memorization, it's about understanding the material, identifying knowledge gaps, and building the test-taking strategies that lead to success.

This guide was designed to help you do exactly that.

Whether you're preparing for a licensing exam, professional certification, or entry-level qualification, this book offers structured practice to reinforce key concepts. You'll find a wide range of multiple-choice questions, each followed by clear explanations to help you understand not just the right answer, but why it's correct.

The content in this guide is based on real-world exam objectives and aligned with the types of questions and topics commonly found on official tests. It's ideal for learners who want to:

- Practice answering questions under realistic conditions,
- Improve accuracy and speed,
- Review explanations to strengthen weak areas, and
- Approach the exam with greater confidence.

We recommend using this book not as a stand-alone study tool, but alongside other resources like flashcards, textbooks, or hands-on training. For best results, we recommend working through each question, reflecting on the explanation provided, and revisiting the topics that challenge you most.

Remember: successful test preparation isn't about getting every question right the first time, it's about learning from your mistakes and improving over time. Stay focused, trust the process, and know that every page you turn brings you closer to success.

Let's begin.

How to Use This Guide

This guide is designed to help you study more effectively and approach your exam with confidence. Whether you're reviewing for the first time or doing a final refresh, here's how to get the most out of your Examzify study guide:

1. Start with a Diagnostic Review

Skim through the questions to get a sense of what you know and what you need to focus on. Your goal is to identify knowledge gaps early.

2. Study in Short, Focused Sessions

Break your study time into manageable blocks (e.g. 30 – 45 minutes). Review a handful of questions, reflect on the explanations.

3. Learn from the Explanations

After answering a question, always read the explanation, even if you got it right. It reinforces key points, corrects misunderstandings, and teaches subtle distinctions between similar answers.

4. Track Your Progress

Use bookmarks or notes (if reading digitally) to mark difficult questions. Revisit these regularly and track improvements over time.

5. Simulate the Real Exam

Once you're comfortable, try taking a full set of questions without pausing. Set a timer and simulate test-day conditions to build confidence and time management skills.

6. Repeat and Review

Don't just study once, repetition builds retention. Re-attempt questions after a few days and revisit explanations to reinforce learning. Pair this guide with other Examzify tools like flashcards, and digital practice tests to strengthen your preparation across formats.

There's no single right way to study, but consistent, thoughtful effort always wins. Use this guide flexibly, adapt the tips above to fit your pace and learning style. You've got this!

Questions

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- 1. Which of the following is a requirement to claim Child and Dependent Care Expenses?**
 - A. Being a single parent only
 - B. Having a qualifying child under 18
 - C. Being employed full-time
 - D. Having documented expenses
- 2. In terms of community income, what determines the portion of retirement pay considered community property?**
 - A. Duration of employment
 - B. Years of marriage during service
 - C. Quarterly bonuses received
 - D. Spousal consent agreements
- 3. What is the interest charged on a delinquent payment calculated from?**
 - A. The last payment date until today
 - B. The original due date of the return to the date paid
 - C. The date of the billing notice until the return was initially filed
 - D. The final determination date until the payment is made
- 4. What is a correct statement regarding California taxes in relation to State Disability Insurance (SDI)?**
 - A. California does not allow any credits for SDI
 - B. California limits SDI credits to one employer
 - C. California allows credits if multiple employers withhold excess SDI
 - D. California automatically refunds excess SDI without a claim
- 5. What type of inquiries does the OTA handle?**
 - A. Tax collection inquiries
 - B. Tax education inquiries
 - C. Tax dispute inquiries
 - D. Tax compliance inquiries

- 6. What portion of Catalina's \$4,000 paycheck is taxable by California?**
- A. \$0
 - B. \$1,000
 - C. \$2,000
 - D. \$4,000
- 7. What does Paula need to calculate for her out-of-state television purchase?**
- A. Local sales tax
 - B. California sales tax
 - C. Use tax
 - D. Import tax
- 8. Which statement about California individual tax penalties is true?**
- A. The penalties apply only to corporations
 - B. Individuals may be exempt from penalties altogether
 - C. The Revenue and Taxation Code has a provision similar to the Federal abatement policy
 - D. Tax penalties may apply regardless of income level
- 9. If a qualifying employee works 1,200 hours during the taxable year, what is the eligible employer's claim amount under HHTC?**
- A. \$2,500
 - B. \$5,000
 - C. \$7,500
 - D. \$10,000
- 10. When can a taxpayer expect their tax refund for excess SDI withholdings?**
- A. Immediately after filing
 - B. Within six months of the request
 - C. Upon approval of the tax return
 - D. In the next tax year

Answers

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1. D
2. B
3. B
4. C
5. C
6. D
7. C
8. D
9. B
10. C

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Explanations

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1. Which of the following is a requirement to claim Child and Dependent Care Expenses?

- A. Being a single parent only
- B. Having a qualifying child under 18
- C. Being employed full-time
- D. Having documented expenses**

To claim Child and Dependent Care Expenses, it is essential to have documented expenses. This requirement ensures that taxpayers can substantiate their claims with evidence of the costs incurred for the care of a qualifying child or dependent while they are working or looking for work. The IRS mandates keeping accurate records, such as receipts or invoices, which demonstrate the amount paid for care services. The other options, while they might seem relevant, do not encompass the primary requirement to make a claim. For instance, being a single parent is a circumstance that may apply to some claimants but does not define the eligibility for the tax credit itself. Similarly, while having a qualifying child under 18 can be relevant, it does not satisfy the need for documented expenses. Employment status, like being employed full-time, is also not a standalone requirement; part-time employment or even being a full-time student can qualify under certain conditions, emphasizing that documentation of expenses is fundamental to making a claim. Having documented expenses affirms compliance with the regulations set forth by the IRS and ensures that claims can be verified.

2. In terms of community income, what determines the portion of retirement pay considered community property?

- A. Duration of employment
- B. Years of marriage during service**
- C. Quarterly bonuses received
- D. Spousal consent agreements

The portion of retirement pay considered community property in California is determined primarily by the years of marriage during which one spouse was in service. This method is established by the "time rule," which states that the community property interest in the retirement benefits is calculated based on the total duration of the marriage compared to the period of service. In essence, if a spouse served in the military or worked for a company for a specific number of years while also being married to their partner, only the portion of the retirement benefits that corresponds to the length of that marriage during the time of service is deemed community property. This approach ensures a fair distribution of retirement benefits accumulated during the marriage, as both partners are considered to have contributed to the growth of those benefits. For example, if a couple was married for 10 years while one spouse served for 20 years, only 50% of the retirement benefits accrued during that service would typically be considered community property. Thus, understanding how years of marriage during service correlate directly to determining the portion of retirement pay that is classified as community property is crucial for proper legal and financial planning related to divorce or separation.

3. What is the interest charged on a delinquent payment calculated from?

- A. The last payment date until today
- B. The original due date of the return to the date paid**
- C. The date of the billing notice until the return was initially filed
- D. The final determination date until the payment is made

The interest charged on a delinquent payment is calculated from the original due date of the return to the date paid. This is because the tax law specifies that interest on unpaid taxes accrues starting from the date the payment was originally due. The rationale behind this approach is to ensure that taxpayers are incentivized to pay on time; if they do not, they become liable for interest from the moment the payment was expected. Choosing this calculation method aligns with standard practices in tax collection, where the timeline for accruing interest begins at the established due date rather than from other potential starting points like the last payment date or the date of a billing notice. This consistent starting point helps maintain clarity and fairness in the collection of tax obligations.

4. What is a correct statement regarding California taxes in relation to State Disability Insurance (SDI)?

- A. California does not allow any credits for SDI
- B. California limits SDI credits to one employer
- C. California allows credits if multiple employers withhold excess SDI**
- D. California automatically refunds excess SDI without a claim

In California, the correct statement regarding State Disability Insurance (SDI) is that the state allows credits if multiple employers withhold excess SDI from an employee's wages. This means that if an individual has worked for more than one employer in a calendar year and each has withheld SDI contributions that exceed the annual limit, the individual can claim a credit for the excess amounts paid across those employers when filing their state income tax return. This provision is designed to ensure that individuals do not pay more than the maximum allowable SDI contribution over the course of the year, thus allowing them to reclaim any excess that may have been withheld due to multiple sources of income. It reflects California's commitment to fair taxation practices, particularly in the context of social insurance programs like SDI. In contrast, California does not typically allow any credits for SDI withheld from a single employer across the board, nor does the state automatically refund excess SDI without a claim from the taxpayer. The requirement for a claim underlines the responsibility of the individual to ensure their contributions are accounted for, further emphasizing the importance of understanding how multiple employers can impact total contributions.

5. What type of inquiries does the OTA handle?

- A. Tax collection inquiries
- B. Tax education inquiries
- C. Tax dispute inquiries**
- D. Tax compliance inquiries

The Office of Tax Appeals (OTA) primarily handles inquiries related to tax disputes. This includes managing appeals from taxpayers who feel aggrieved by decisions made by the California Department of Tax and Fee Administration or other tax agencies. When a taxpayer contests an assessment, penalty, or a determination made by these agencies, the OTA provides a platform for these disputes to be resolved. The purpose of the OTA is to ensure fairness in the tax appeals process, allowing taxpayers an opportunity to have their cases reviewed independently. While the OTA may indirectly be involved in aspects related to tax collection, education, and compliance, its main function is distinctly focused on resolving conflicts that arise from tax assessments and rulings. Thus, the emphasis on tax dispute inquiries reflects the OTA's role in adjudicating disagreements rather than providing general education or support on tax collection or compliance matters. This specificity is key to understanding the OTA's responsibilities.

6. What portion of Catalina's \$4,000 paycheck is taxable by California?

- A. \$0
- B. \$1,000
- C. \$2,000
- D. \$4,000**

The entire amount of Catalina's \$4,000 paycheck is taxable by California. California taxes personal income, and wages earned from employment are considered taxable income. This income is subject to state income tax regardless of the source, which includes salaries, wages, bonuses, and other forms of compensation. Therefore, the full amount of Catalina's paycheck, which is \$4,000, must be reported and is liable for taxation under California law. This understanding aligns with California's approach to income taxation, where all forms of income earned by residents are typically included in the taxable income calculation.

7. What does Paula need to calculate for her out-of-state television purchase?

- A. Local sales tax
- B. California sales tax
- C. Use tax**
- D. Import tax

When Paula makes an out-of-state television purchase, she needs to calculate the use tax. Use tax is a tax imposed on the storage, use, or consumption of tangible personal property in California when that property was not subject to California sales tax at the time of purchase. This is applicable when someone buys items from out of state where no sales tax is charged, thus ensuring that California businesses are not disadvantaged compared to out-of-state retailers. For example, if Paula bought her television from a retailer that did not charge sales tax, she is responsible for reporting and paying the equivalent use tax to California. This ensures compliance with California tax laws and contributes to state revenue. Other tax types such as local sales tax and California sales tax relate to in-state purchases, while import tax generally pertains to goods brought into the country from abroad. Thus, use tax is the correct consideration in her scenario.

8. Which statement about California individual tax penalties is true?

- A. The penalties apply only to corporations
- B. Individuals may be exempt from penalties altogether
- C. The Revenue and Taxation Code has a provision similar to the Federal abatement policy
- D. Tax penalties may apply regardless of income level**

The statement that tax penalties may apply regardless of income level is accurate because the imposition of penalties in California tax law is not contingent on the taxpayer's income. Instead, penalties are typically based on the actions of the taxpayer, such as failure to file a return, failure to pay taxes owed, or underreporting of income. This means that individuals can incur penalties irrespective of whether they fall into a higher or lower income bracket, reinforcing the idea that compliance with tax obligations is essential for all taxpayers. The other statements do not accurately reflect the California tax penalty framework. For instance, penalties are not limited only to corporations, as individuals can also be subject to financial penalties. While some individuals may seek relief under certain circumstances, exemptions from penalties are not guaranteed for all taxpayers. Additionally, while there are provisions for tax abatement at the federal level, California has its unique rules and does not directly mirror the federal abatement policy. Hence, the focus on income level is not a relevant factor when it comes to the assessment of penalties in California tax law.

9. If a qualifying employee works 1,200 hours during the taxable year, what is the eligible employer's claim amount under HHTC?

- A. \$2,500
- B. \$5,000**
- C. \$7,500
- D. \$10,000

In determining the eligible employer's claim amount under the Hiring Incentives Tax Credit (HITC), the amount is generally calculated based on the number of hours worked by qualifying employees. For each qualifying employee, the credit amount is often set at a specified rate for the initial hours worked. When an employee works a total of 1,200 hours during the taxable year, employers can claim a specific amount that corresponds to the HITC guidelines. In this case, the amount calculated would equal \$5,000 for that employee's contribution. To derive the claim amount effectively under HITC, it's important to follow the stipulated guidelines, which typically detail how the credit is awarded based on increments of hours worked within the defined period. Thus, the calculation allows the eligible employer to earn this credit as a percentage of the qualifying employee's working hours within the set thresholds. Overall, recognizing the criteria of eligible hours and the resulting maximum claim incentive is crucial for understanding this tax benefit.

10. When can a taxpayer expect their tax refund for excess SDI withholdings?

- A. Immediately after filing
- B. Within six months of the request
- C. Upon approval of the tax return**
- D. In the next tax year

A taxpayer can expect their tax refund for excess State Disability Insurance (SDI) withholdings upon approval of the tax return because this is the point at which the state officially recognizes the over-withheld amount. Once the tax return is processed and approved, the government will issue the refund, typically via direct deposit or a check, depending on the taxpayer's chosen method of receiving funds. This process is dependent on the tax return being filed correctly and all necessary documentation being submitted. The approval signifies that the tax authority has reviewed the information and confirmed that the taxpayer is indeed eligible for a refund due to excess withholdings. When taxpayers file their returns, they often seek to ensure all amounts are accurate, which is why this step is crucial before any refunds are processed.

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Next Steps

Congratulations on reaching the final section of this guide. You've taken a meaningful step toward passing your certification exam and advancing your career.

As you continue preparing, remember that consistent practice, review, and self-reflection are key to success. Make time to revisit difficult topics, simulate exam conditions, and track your progress along the way.

If you need help, have suggestions, or want to share feedback, we'd love to hear from you. Reach out to our team at hello@examzify.com.

Or visit your dedicated course page for more study tools and resources:

<https://15hrcarealestatetaxlaw.examzify.com>

We wish you the very best on your exam journey. You've got this!

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