

# Basic Competency on Local Treasury Examination (BCLTE) Practice Exam (Sample)

## Study Guide



**Everything you need from our exam experts!**

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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. What percentage of proceeds from the sale or redemption of property accrue to the barangay where the property is located?**
  - A. 30%**
  - B. 40%**
  - C. 50%**
  - D. 60%**
  
- 2. How can you make sure girls have the tools needed for their assigned duties?**
  - A. Limit their responsibilities**
  - B. Provide necessary resources for their tasks**
  - C. Assign duties without any resources**
  - D. Allow them to figure it out on their own**
  
- 3. What is a sufficient ground for administrative disciplinary action against officials involved in the enforcement of a disapproved tax ordinance?**
  - A. Failure to report**
  - B. Inaccuracy in records**
  - C. Disapproval or suspension of the ordinance**
  - D. Misallocation of funds**
  
- 4. How often is the sworn declaration of the true value of property required to be filed?**
  - A. Once a year**
  - B. Once every three years**
  - C. Once every two years**
  - D. Once every five years**
  
- 5. Unless revoked sooner, how long is the designation period for the OIC/ICO of Local Treasury Offices?**
  - A. Three months**
  - B. Six months**
  - C. Nine months**
  - D. One year**

- 6. Which group is credited with laying the groundwork for real property taxation in the Philippines in 1901?**
- A. Spanish colonizers**
  - B. Philippine Revolutionaries**
  - C. The Americans**
  - D. Local government officials**
- 7. What is the main purpose of classifying or grouping real property for taxation?**
- A. To impose additional penalties**
  - B. To enhance tax compliance**
  - C. To provide mechanisms for uniformity**
  - D. To increase property values**
- 8. What percentage of the proceeds from the basic real property tax must be distributed among the component barangays of the cities?**
- A. 20%**
  - B. 25%**
  - C. 30%**
  - D. 35%**
- 9. Unity is to division as agreement is to what?**
- A. Dispute**
  - B. Consent**
  - C. Collaboration**
  - D. Negotiation**
- 10. What is referred to as capital investment?**
- A. The profits earned from sales**
  - B. Funds contributed to a business venture**
  - C. Income generated by investments**
  - D. Savings accumulated over time**



## Answers

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

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## **Explanations**

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**1. What percentage of proceeds from the sale or redemption of property accrue to the barangay where the property is located?**

- A. 30%
- B. 40%
- C. 50%**
- D. 60%

The correct answer indicates that 50% of the proceeds from the sale or redemption of property accrue to the barangay where the property is located. This is significant because it highlights the financial benefits that local communities receive from transactions involving land and properties within their jurisdiction. In many local government systems, including those found in the Philippines, a portion of revenues generated from property transactions is allocated to barangays. This allocation is meant to empower local government units and provide them with additional resources to fund community programs, development projects, and public services. By being able to retain a substantial share of these proceeds, barangays can invest in infrastructure, enhance their local economy, and address the specific needs of their constituents. The 50% allocation underscores the importance of local governance in managing and benefitting from local resources, strengthening fiscal autonomy, and ensuring that property transactions positively impact the communities in which they occur.

**2. How can you make sure girls have the tools needed for their assigned duties?**

- A. Limit their responsibilities
- B. Provide necessary resources for their tasks**
- C. Assign duties without any resources
- D. Allow them to figure it out on their own

Providing necessary resources for their tasks ensures that individuals, in this case, girls, have the tools needed to successfully complete their assigned duties. This approach fosters an environment where they are adequately equipped to meet the expectations set for them. By offering the appropriate materials, training, or support, you empower them to perform efficiently and effectively. It also enhances their confidence and skills, allowing them to take on responsibilities with a greater chance of success. Limiting responsibilities or assigning duties without resources could lead to frustration and failure, while allowing them to figure things out on their own may not provide them with the support they need to thrive. Therefore, equipping them with the necessary resources is crucial for ensuring they can fulfill their roles competently.

**3. What is a sufficient ground for administrative disciplinary action against officials involved in the enforcement of a disapproved tax ordinance?**

- A. Failure to report
- B. Inaccuracy in records
- C. Disapproval or suspension of the ordinance**
- D. Misallocation of funds

The correct choice identifies a fundamental principle in local governance regarding tax ordinances. When an ordinance has been disapproved or suspended, it signifies that the governing body does not permit the imposition of the tax or the enforcement of the regulations outlined in that ordinance. Officials tasked with enforcing a disapproved tax ordinance may be acting outside their legal authority, which can lead to administrative disciplinary actions. When officials proceed with actions that contradict legal decisions, such as enforcing a non-viable ordinance, it undermines the ethical standards of public service, reflects poor judgment, and may result in public dissatisfaction or financial repercussions for the jurisdiction. Therefore, the disapproval or suspension establishes a clear and sufficient ground for holding officials accountable for their actions. Other choices such as failure to report, inaccuracy in records, or misallocation of funds, while serious in their own right, do not directly link to the core issue of enforcing an ordinance that has not received proper approval. These issues can be significant as well, but a direct violation of authority stemming from the status of the ordinance constitutes a more immediate ground for disciplinary action.

**4. How often is the sworn declaration of the true value of property required to be filed?**

- A. Once a year
- B. Once every three years**
- C. Once every two years
- D. Once every five years

The requirement to file a sworn declaration of the true value of property once every three years aligns with local treasury practices to ensure that property valuations remain accurate and reflective of current market conditions. This periodic filing allows local government units to reassess property values and ensure equitable taxation based on these valuations. Filing every three years provides a balance; it is frequent enough to capture changes in property values—whether due to improvements, market conditions, or other factors—without imposing excessive administrative burdens on property owners. This cycle helps maintain a fair assessment system, which is crucial for effective revenue generation for local governments. The other options suggest more frequent or less frequent filings that do not align with the typical regulatory framework found in many jurisdictions. For instance, annual filings could create an administrative strain for both property owners and assessors, while filing every five years may not adequately reflect fluctuations in property values within a community.

**5. Unless revoked sooner, how long is the designation period for the OIC/ICO of Local Treasury Offices?**

- A. Three months**
- B. Six months**
- C. Nine months**
- D. One year**

The designation period for the Officer-in-Charge (OIC) or In-Charge Officer (ICO) of Local Treasury Offices is six months unless it is revoked sooner. This timeframe is established to ensure that there is a structured approach to leadership within local treasury offices, providing continuity and allowing the designated officials to effectively manage their responsibilities. The six-month period allows sufficient time for the individual to become acclimated to the position and handle the day-to-day operations of the office. Additionally, having a defined period helps maintain accountability in leadership roles and ensures that any changes or adjustments in management can occur as needed, promoting effective governance within local treasury functions.

**6. Which group is credited with laying the groundwork for real property taxation in the Philippines in 1901?**

- A. Spanish colonizers**
- B. Philippine Revolutionaries**
- C. The Americans**
- D. Local government officials**

The Americans are credited with laying the groundwork for real property taxation in the Philippines in 1901. This was a significant time in Philippine history as it marked the transition from Spanish colonial rule to American governance following the Spanish-American War. The American administration introduced various reforms, including a formal system of taxation. When they established a new tax framework, they aimed to create a more organized and efficient way of taxing real properties, which had previously been subject to the inconsistent practices of the Spanish colonial authorities. The Americans implemented the Property Tax Law, which set official assessments and standardized the way properties were taxed, ultimately leading to the system that would be further developed and shaped into the current taxation structure. This move not only formalized property taxation but also represented broader efforts by the American government to instill an administrative framework in the country during their colonial rule.

**7. What is the main purpose of classifying or grouping real property for taxation?**

- A. To impose additional penalties**
- B. To enhance tax compliance**
- C. To provide mechanisms for uniformity**
- D. To increase property values**

Classifying or grouping real property for taxation plays a crucial role in ensuring that tax assessments are fair and equitable across different types of properties. The primary purpose of this classification is to provide mechanisms for uniformity in how properties are valued and taxed. By categorizing properties based on their use, such as residential, commercial, industrial, or agricultural, tax authorities can apply consistent assessment methods and tax rates appropriate for each category. This uniform approach helps to avoid disparities in how different property owners are treated and supports the overall integrity of the tax system. Uniformity is vital not only for fairness but also for taxpayers' understanding of their obligations. When properties are classified systematically, it can lead to clearer communication from tax authorities about tax assessments, which can foster trust in the taxation process. Overall, the goal of classification fosters a stable revenue system for local governments while ensuring that property owners are treated equitably based on their property type and use.

**8. What percentage of the proceeds from the basic real property tax must be distributed among the component barangays of the cities?**

- A. 20%**
- B. 25%**
- C. 30%**
- D. 35%**

The correct answer indicates that 30% of the proceeds from the basic real property tax must be distributed among the component barangays of the cities. This distribution is mandated by local government code provisions, which aim to ensure that barangays receive a fair share of revenue generated from property taxes in their jurisdiction. This funding is crucial, as it allows barangays to enhance local services, improve infrastructure, and support community programs. Understanding this percentage is essential for local treasurers and government officials who are involved in budgeting and financial planning at the barangay level. The allocation is designed to support local governance and empower smaller administrative divisions, ensuring that they benefit from the resources generated within their areas.

## 9. Unity is to division as agreement is to what?

- A. Dispute**
- B. Consent**
- C. Collaboration**
- D. Negotiation**

The relationship established in the first part of the analogy, where unity corresponds to division, highlights a pair of opposites. Unity signifies a state of being together or in agreement, whereas division indicates separation or disagreement. This same kind of relationship needs to be mirrored in the second part of the analogy with the word "agreement." In this context, the correct choice should refer to something that is opposite or contrary to agreement. "Dispute" fits this requirement perfectly, as it represents a state of disagreement or conflict, making it the direct opposite of agreement. Therefore, just as division is the opposite of unity, a dispute stands in opposition to agreement. The other options do not convey this oppositional relationship. "Consent" suggests an affirmation of agreement, "collaboration" indicates working together towards a common goal, and "negotiation" implies a process aimed at reaching an agreement rather than opposing it. Thus, they do not maintain the necessary contrast that is evident in the first pair of terms.

## 10. What is referred to as capital investment?

- A. The profits earned from sales**
- B. Funds contributed to a business venture**
- C. Income generated by investments**
- D. Savings accumulated over time**

Capital investment refers to the funds that are contributed to a business venture for the purpose of generating future profits. This can include expenditures on physical assets like property, machinery, and equipment, and it often involves significant amounts of money aimed at building up the assets of a company to enhance its productive capacity. Capital investments are crucial for growth and expansion, as they allow businesses to develop new products or improve processes. This definition highlights the purpose and nature of the funds involved, distinguishing capital investment from profits, income, or savings. Profits earned from sales pertain to the revenue generated after costs and expenses have been deducted, while income generated by investments refers to the returns earned from existing capital. Savings accumulated over time represent personal or corporate funds set aside rather than actively invested in business opportunities. In contrast, capital investment is directly tied to the resources provided with the expectation of achieving a return through the enhancement of the business's operations.



## 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](mailto:hello@examzify.com).**

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

**<https://localtreasurybclte.examzify.com>**

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

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