

BASIC COMPETENCY ON LOCAL TREASURY EXAMINATION (BCLTE) PRACTICE EXAM (SAMPLE) STUDY GUIDE



SAMPLE STUDY GUIDE WITH LIMITED QUESTIONS

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THE FULL VERSION STUDY GUIDE**

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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. When designing plans, what is the first step to take?**
 - A. Conduct market research
 - B. Define your objectives
 - C. Create a timeline
 - D. Gather team input

- 2. 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%

- 3. Invention is to piracy as writing is to what?**
 - A. Printing
 - B. Breach
 - C. Copyright
 - D. Plagiarism

- 4. How is the assessed value of a property typically established in relation to its fair market value?**
 - A. It is always higher than FMV
 - B. It is typically set as a percentage of FMV
 - C. It is strictly equal to FMV
 - D. It is not affected by FMV

- 5. What formula represents the relationship between value, tax rate, and tax due from real property?**
 - A. Value divided by tax rate equals tax due
 - B. Tax due divided by assessed value equals tax rate
 - C. Value multiplied by tax rate equals tax due
 - D. Tax rate times tax due equals assessed value

- 6. What frequency does the Barangay Treasurer record all checks issued?**
- A. Weekly
 - B. Annually
 - C. Daily
 - D. Monthly
- 7. Which census is recognized as an early form of tax rolls in the Philippines?**
- A. Philippine Census
 - B. Roman Census
 - C. Spanish Census
 - D. American Census
- 8. Which type of tax was levied on male tenant farmers of military age under the Spanish "encomienda" system?**
- A. Income tax
 - B. Property tax
 - C. Personal tax
 - D. Sales tax
- 9. The Administrative Code of 1916 incorporated which two key components?**
- A. National Code and Local Code
 - B. Municipal Code and Provincial Act
 - C. Revised Civil Code and Tax Code
 - D. Code of Conduct and Municipal Act
- 10. Which type of cash advance is authorized for salaries and petty cash operating expenses?**
- A. Special cash advance
 - B. Regular cash advance
 - C. Emergency cash advance
 - D. Temporary cash advance

Answers

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

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Explanations

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1. When designing plans, what is the first step to take?

- A. Conduct market research
- B. Define your objectives**
- C. Create a timeline
- D. Gather team input

Defining your objectives is an essential first step when designing plans because it establishes a clear direction for the entire process. By outlining specific goals and objectives, you provide a framework that guides all subsequent actions and decisions. This clarity helps ensure that everyone involved understands the purpose of the plan and what is intended to be achieved. Without clearly defined objectives, efforts can become unfocused or misaligned, leading to inefficiencies or failure to meet the intended outcomes. Once objectives are set, other steps, such as conducting market research or gathering team input, can be approached with a clear understanding of what needs to be accomplished. Establishing objectives first allows for effective prioritization of actions and resources, setting a solid foundation for a successful planning process.

2. 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.

3. Invention is to piracy as writing is to what?

- A. Printing
- B. Breach
- C. Copyright
- D. Plagiarism**

The analogy compares two pairs of concepts that represent a relationship where one is a form of original creation and the other represents unauthorized use or imitation of that creation. In the first pair, invention is an original act of creation, while piracy refers to the unauthorized use or reproduction of someone else's invention. In the second pair, writing serves as the original act of creation, similar to invention. Plagiarism, in this context, accurately represents the unauthorized appropriation of someone else's written work. It involves taking someone else's ideas or phrasing and presenting them as one's own without appropriate acknowledgment. Thus, just as piracy is an illegitimate appropriation of invented ideas, plagiarism is the analogous illegitimate appropriation in the context of writing. This makes the relationship clear and logically consistent with the first pair, identifying plagiarism as the correct answer.

4. How is the assessed value of a property typically established in relation to its fair market value?

- A. It is always higher than FMV
- B. It is typically set as a percentage of FMV**
- C. It is strictly equal to FMV
- D. It is not affected by FMV

The assessed value of a property is typically established as a percentage of its fair market value (FMV). This practice allows local governments to effectively tax properties by implementing a uniform assessment system. By using a percentage of FMV, assessors account for varying market conditions and property characteristics while ensuring that the tax base remains equitable. This method of assessment helps maintain consistency across different properties within a jurisdiction, providing a fair basis for taxation. For instance, if a jurisdiction determines that properties should be assessed at 80% of their fair market value, it allows for a systematic approach that can adapt to fluctuations in the market without completely resetting values with every change. In contrast, the other options suggest either exact equality, constant elevation, or independence from FMV, which do not align with standard assessment practices. The majority of local government assessments incorporate FMV as a reference point to ensure that taxation is fair and reflective of current market conditions.

5. What formula represents the relationship between value, tax rate, and tax due from real property?

- A. Value divided by tax rate equals tax due
- B. Tax due divided by assessed value equals tax rate
- C. Value multiplied by tax rate equals tax due**
- D. Tax rate times tax due equals assessed value

The relationship between the value of real property, the tax rate, and the tax due is accurately captured by the formula that states value multiplied by tax rate equals tax due. This reflects the fundamental principle of property taxation, where the amount owed in taxes depends directly on the assessed value of the property and the applicable tax rate set by the local government. When calculating the tax due, you take the assessed value of a property and multiply it by the tax rate, which is usually expressed as a percentage. For example, if a property has an assessed value of \$200,000 and the tax rate is 1.5%, the tax due would be \$200,000 multiplied by 0.015, resulting in a tax payment of \$3,000. This straightforward multiplication makes it clear how both value and rate impact the final tax liability. Thus, understanding this formula is crucial for accurate financial planning and responsibility in property ownership, as well as for local authorities in estimating revenue from real property taxes.

6. What frequency does the Barangay Treasurer record all checks issued?

- A. Weekly
- B. Annually
- C. Daily**
- D. Monthly

The frequency at which the Barangay Treasurer records all checks issued is daily. Recording checks on a daily basis is essential for maintaining accurate financial records and ensuring up-to-date tracking of cash flow. This practice helps in identifying and addressing any discrepancies promptly, allowing for better financial management and accountability. Daily recording also aids in preparing financial reports and monitors budgetary allocations, making it easier to manage the overall financial health of the Barangay. While other frequencies might seem sufficient, they do not provide the same level of oversight and control needed for accurate financial management in a local government context.

7. Which census is recognized as an early form of tax rolls in the Philippines?

- A. Philippine Census
- B. Roman Census**
- C. Spanish Census
- D. American Census

The Roman Census is recognized as an early form of tax rolls in the Philippines because it established a system for enumerating citizens and determining their tax obligations. In ancient Rome, a census was conducted every five years and was used to record the population, property ownership, and wealth of individuals, which allowed for the assessment of taxes. This practice set a precedent for other forms of census and taxation systems adopted in various cultures, including those later seen during the colonial periods in the Philippines. While the other options—Philippine Census, Spanish Census, and American Census—are significant in their historical context, they were developed later and were influenced by varying administrative methods and taxation practices established during their respective eras. The focus on taxation and accountability found in the Roman Census is what makes it noteworthy as an early model for tax-related documentation and administration in the Philippines. This demonstrates the historical continuity of census practices evolving into structured tax systems.

8. Which type of tax was levied on male tenant farmers of military age under the Spanish "encomienda" system?

- A. Income tax
- B. Property tax
- C. Personal tax**
- D. Sales tax

The tax that was levied on male tenant farmers of military age under the Spanish "encomienda" system is classified as a personal tax. This tax was specifically targeted at individuals based on their personal characteristics, such as age and gender, as opposed to being based on income, property ownership, or sales transactions. The "encomienda" system, a labor system that allowed Spanish settlers to extract tribute from indigenous populations, imposed obligations that included taxes on individuals who were assigned to encomenderos (the landholders). The focus on taxing males of military age reflects the societal and military structure of the time, where the government sought to manage and support its military needs by taxing those who could potentially serve. In contrast, income tax is based on earnings, property tax is related to real estate ownership, and sales tax is charged on goods and services at the point of sale. None of these align with the specifics of the encomienda system, making personal tax the correct classification for this context.

9. The Administrative Code of 1916 incorporated which two key components?

- A. National Code and Local Code
- B. Municipal Code and Provincial Act**
- C. Revised Civil Code and Tax Code
- D. Code of Conduct and Municipal Act

The Administrative Code of 1916 is significant in the context of Philippine legislation, particularly in the framework of local governance. The correct answer reflects that it incorporated the Municipal Code and the Provincial Act. The Municipal Code establishes the legal provisions governing municipalities, detailing their structure, responsibilities, and functions. This code is essential for defining how local government units (LGUs) operate within their jurisdictions, including the administration of local services and enforcement of local ordinances. On the other hand, the Provincial Act pertains to the governance of provinces, laying down similar regulatory practices and responsibilities for provincial administrators and officials. It provides a systematic approach to managing provincial affairs, ensuring that governance is structured and aligned with national policies while accommodating local needs. These two components work together to enhance local government efficiency and accountability, forming the bedrock for decentralized administrative structures in the Philippines. The integration of these codes in the Administrative Code of 1916 marked a pivotal change in the legal framework guiding local governance and administration in the country.

10. Which type of cash advance is authorized for salaries and petty cash operating expenses?

- A. Special cash advance
- B. Regular cash advance**
- C. Emergency cash advance
- D. Temporary cash advance

The correct answer is Regular cash advance, which is typically used for ongoing operational needs such as salaries and petty cash expenses. This type of cash advance is designed to provide a predictable funding source for regular, necessary expenditures that a local government or organization incurs as part of its daily functions. Regular cash advances are generally easier to manage and account for, as they align with the planned budgets and funding schedules, ensuring that salary disbursements and petty cash needs are met without disruptions. This reliability is crucial for maintaining smooth operations within any organization. In contrast, other types of cash advances serve different purposes. Special cash advances might be authorized for distinct, often non-recurring expenditures, while emergency cash advances are intended for urgent, unforeseen financial needs that require immediate attention. Temporary cash advances are typically used for short-term or brief projects, rather than for usual salary and ongoing operational expenses.

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://localtreasurybclte.examzify.com>

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

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