MCTA TREASURER PRACTICE EXAM (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

1. **What describes the Reimbursable method for unemployment compensation?**
   - A. Municipality is charged a percentage FUTA tax
   - B. Municipality reimburses DES for all benefits paid
   - C. State funds unemployment compensation
   - D. DES pays a portion of benefits

2. **Levy limit under Proposition 2 1/2 is the maximum allowed increase, which is 2.5 percent of the prior fiscal year's levy.**
   - A. 1.5 percent of the prior fiscal year's levy
   - B. 2.0 percent of the prior fiscal year's levy
   - C. 2.5 percent of the prior fiscal year's levy
   - D. 3.5 percent of the prior fiscal year's levy

3. **Except in cases of emergency, a public body must provide the public with notice of its meeting how far in advance?**
   - A. 24 hours in advance
   - B. 72 hours in advance
   - C. 1 week in advance
   - D. 48 hours in advance (excluding Saturdays, Sundays, and legal holidays)

4. **What is the rate of interest that must be paid on refunds for abated taxes?**
   - A. 6%
   - B. 8%
   - C. 4%
   - D. 9%

5. **Under Procurement Law (30B), which threshold requires advertising and either an invitation for Bids or a Request for Proposals?**
   - A. $10,000 - Seek 3 written quotes
   - B. $10,000 - $50,000 - Seek 3 written quotes
   - C. Over $50,000 - advertising and bids or RFPs
   - D. All purchases require advertising and bids

6. If your lookback period for 941 deposits was $50,000 or less, when are you required to make deposits?

A. Weekly deposits

B. Monthly deposits

C. Daily deposits

D. Quarterly deposits

7. On a semiweekly deposit schedule, if payday falls on Saturday, Sunday, Monday, or Tuesday, by when must deposits be made?

A. The following Wednesday

B. The following Monday

C. The next Friday

D. The following Friday

8. When do you add collectors' interest and fees to a tax title?

A. Upon final certification by the Collector

B. When certified by the Collector

C. Immediately upon delinquency

D. At the end of the fiscal year

9. Treasurer must withhold payment of money owed to any person from whom are then due taxes, assessments, rates or other charges if request by ___________.

A. The taxpayer

B. The collector

C. The assessor

D. The city council

10. Who is responsible for monitoring debt and should be consulted for long and short term borrowing procedures?

A. Director of the Bureau of Accounts

B. Bureau of Accounts (Department of Revenue)

C. State Treasurer

D. State Auditor

Answers

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

Explanations

1. **What describes the Reimbursable method for unemployment compensation?**

   A. Municipality is charged a percentage FUTA tax

   B. Municipality reimburses DES for all benefits paid

   C. State funds unemployment compensation

   D. DES pays a portion of benefits

Under the reimbursable method, the local government is financially responsible for unemployment benefits paid to its former employees. The state pays the benefits to eligible claimants, and then invoices the municipality for the total amount of benefits paid to its workers. This makes the municipality's cost come through reimbursements rather than through a payroll tax. The option that states the municipality reimburses DES for all benefits paid matches this arrangement exactly. The other descriptions don't fit the reimbursable approach: a percentage FUTA tax reflects a tax-based, contributory funding structure; implying the state funds benefits outright would be a different setup; and saying the state pays only a portion would not describe the full reimbursement responsibility assigned to the municipality.

2. **Levy limit under Proposition 2 1/2 is the maximum allowed increase, which is 2.5 percent of the prior fiscal year's levy.**

   A. 1.5 percent of the prior fiscal year's levy

   B. 2.0 percent of the prior fiscal year's levy

   C. 2.5 percent of the prior fiscal year's levy

   D. 3.5 percent of the prior fiscal year's levy

Prop 2 1/2 places a cap on how much a city or town can increase its property tax levy each year. That cap is 2.5 percent of the prior year's levy, so the maximum year-to-year increase you can raise through the levy is 2.5% of what was levied last year. The other percentages listed are not the standard cap under this provision, which is why 2.5 percent is the correct choice.

3. **Except in cases of emergency, a public body must provide the public with notice of its meeting how far in advance?**

   A. 24 hours in advance

   B. 72 hours in advance

   C. 1 week in advance

   D. 48 hours in advance (excluding Saturdays, Sundays, and legal holidays)

The rule tests how much advance notice a public body must give before a meeting to allow public awareness and participation. The standard requirement is 48 hours in advance, and the clock does not run on Saturdays, Sundays, or legal holidays. This timing provides a practical window for the public to learn about the meeting and plan to attend or comment, while not delaying government actions more than necessary. It also reflects that notice is intended for the public, not just business days, so non-working days aren't counted. If you think about the other options, 24 hours is usually too short for adequate public notice and to ensure accessibility. A longer lead time like 72 hours or a full week can hinder timely decision-making and isn't the standard expectation in most open-meetings laws. The emergency caveat allows shorter notice only when an urgent situation truly requires it.

4. What is the rate of interest that must be paid on refunds for abated taxes?

A. 6%

B. 8%

C. 4%

D. 9%

Interest on refunds for abated taxes is a fixed rate set by statute, intended to compensate taxpayers for the time the government held the funds. The rate is applied as simple interest from the date the tax was paid to the date the refund is issued. In this context, the statute specifies eight percent per year. That makes this option the correct match for the required rate. Other rates don't align with the statutory rule governing abatement refunds.

5. Under Procurement Law (30B), which threshold requires advertising and either an invitation for Bids or a Request for Proposals?

A. $10,000 - Seek 3 written quotes

B. $10,000 - $50,000 - Seek 3 written quotes

C. Over $50,000 - advertising and bids or RFPs

D. All purchases require advertising and bids

In public procurement, a specific dollar threshold triggers a formal competitive process. When the contract value goes above that threshold, the law requires advertising and a competition conducted through either invitations for bids or a Request for Proposals. For Procurement Law 30B, that threshold is over $50,000. So any purchase exceeding $50,000 must be advertised and open to bids or an RFP, ensuring transparency and competitive offers for larger, more significant expenditures. Choices that suggest lower thresholds or that every purchase must be advertised don't align with how the process is structured; smaller purchases are typically handled with quotes rather than formal advertising, and not everything requires a bid or RFP.

6. If your lookback period for 941 deposits was $50,000 or less, when are you required to make deposits?

A. Weekly deposits

B. Monthly deposits

C. Daily deposits

D. Quarterly deposits

The key idea is how the IRS sets your Form 941 deposit frequency based on the lookback period. If the lookback period (the prior 12 months) shows total payroll tax liability of $50,000 or less, you're placed on a monthly deposit schedule. That means you remit the taxes due for each calendar month by the 15th of the following month. This frequency is designed for smaller liability amounts and avoids the need for more frequent deposits. If the lookback had been greater than $50,000, you would switch to a semiweekly schedule, which requires more frequent deposits on specific days. Daily deposits aren't used for Form 941, and deposits aren't handled on a quarterly deposit cadence—the Form 941 is filed quarterly, but the deposits themselves are monthly or semiweekly depending on the lookback amount.

7. On a semiweekly deposit schedule, if payday falls on Saturday, Sunday, Monday, or Tuesday, by when must deposits be made?

A. The following Wednesday

B. The following Monday

C. The next Friday

D. The following Friday

In a semiweekly deposit schedule, the due date depends on when wages are paid within the two weekly deposit windows. Wages paid from Wednesday through Friday are deposited by the following Wednesday, while wages paid from Saturday through Tuesday are deposited by the following Friday. Since payday falls on Saturday, Sunday, Monday, or Tuesday, those wages belong to the window that ends on Friday, so the deposit must be made by the following Friday. If that Friday is a holiday, the deposit would be due on the next business day.

8. When do you add collectors' interest and fees to a tax title?

A. Upon final certification by the Collector

B. When certified by the Collector

C. Immediately upon delinquency

D. At the end of the fiscal year

Interest and collection fees are added to a tax title when the tax list is certified by the Collector. This certification is the formal action that finalizes the delinquent amount and makes all accumulated charges part of the official balance. Adding them earlier, at delinquency, would charge interest before the official action has occurred, and waiting until the end of the fiscal year would delay and possibly misstate the amount due. The act of certification by the Collector is the moment that fixes the total due, ensuring the tax title accurately reflects everything owed up to that point.

9. Treasurer must withhold payment of money owed to any person from whom are then due taxes, assessments, rates or other charges if request by __________.

A. The taxpayer

B. The collector

C. The assessor

D. The city council

The key idea is that the treasurer can hold back money the city owes to someone when that person has taxes or other charges due to the city, but only if a proper authority requests it. The collector is the official responsible for collecting taxes and enforcing payment to the government. When there are outstanding taxes, assessments, rates, or charges, the collector can issue a request or directive to withhold payments to the person until those obligations are settled. This preserves the municipality's ability to collect what is owed before funds are released. The other figures don't have that specific enforcement role in this context: the taxpayer is the debtor, not the enforcer; the assessor determines the amount of taxes or charges but doesn't have authority to force withholding of payments; the city council may set policies but doesn't typically issue individual withholding orders.

10. Who is responsible for monitoring debt and should be consulted for long and short term borrowing procedures?

A. Director of the Bureau of Accounts

B. Bureau of Accounts (Department of Revenue)

C. State Treasurer

D. State Auditor

Debt monitoring and guidance on borrowing procedures are handled by the bureau that oversees accounting and debt management within the government. The Bureau of Accounts keeps the official debt records, tracks outstanding obligations, and sets the rules and processes for borrowing. Because of this role, it should be consulted for both long-term and short-term borrowing decisions to ensure any new debt fits within the budget, stays within statutory limits, and aligns with the government's repayment capacity. While the State Treasurer focuses on cash management and issuing debt, and the State Auditor conducts audits, the Bureau of Accounts is the appropriate source for debt monitoring and borrowing guidance within the Department of Revenue.

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://mctatreasurer.examzify.com

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