

Tax Collection 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. Rules and Regulations pertaining to storage, management, and destruction of government records are promulgated by which division?**
 - A. Storage Management and Destruction**
 - B. Retention and Access**
 - C. Archiving and Retrieval**
 - D. Destruction and Disposal**

- 2. The governing body by what action must appoint an agent for rents and profits?**
 - A. Resolution**
 - B. Ordinance**
 - C. Proclamation**
 - D. Decree**

- 3. Begin Accelerated Tax Sale occurs on which date?**
 - A. November 11**
 - B. November 5**
 - C. October 31**
 - D. December 1**

- 4. A deputy does not need to be appointed by what?**
 - A. Resolution**
 - B. Election**
 - C. Merit**
 - D. Court Appointment**

- 5. Numbering system in Revised Statutes is __, _____, _____ and _____.**
 - A. TITLE, CHAPTER, SECTION, SUBSECTION**
 - B. CHAPTER, TITLE, SECTION, SUBSECTION**
 - C. TITLE, SECTION, CHAPTER, SUBSECTION**
 - D. TITLE, CHAPTER, SUBSECTION, SECTION**

- 6. Within how many years must the lien holder surrender the certificate after being notified of redemption to avoid unclaimed funds going to the municipality?**
- A. 3 years**
 - B. 5 years**
 - C. 7 years**
 - D. 10 years**
- 7. By which date must cancellation of uncollectible taxes be completed?**
- A. June 30**
 - B. May 30**
 - C. July 15**
 - D. June 15**
- 8. Which list of roles does the tax collector work closely with?**
- A. Assessor, Attorney, CFO, Governing Body and Clerk**
 - B. Auditor, Treasurer, Clerk, Mayor**
 - C. Appraiser, Attorney, CFO, Governing Body**
 - D. Assessor, Attorney, CFO, Governing Body and Treasurer**
- 9. Which statement about foreclosure after a tax lien is true?**
- A. Purchasers of a third-party lien can foreclose after 2 years**
 - B. The municipality can foreclose after 3 months**
 - C. Foreclosure is automatic after 1 month**
 - D. Foreclosure can never occur after sale**
- 10. Receipts for tax sales must be deposited within how many hours?**
- A. 24 hours**
 - B. 48 hours**
 - C. 72 hours**
 - D. 96 hours**

Answers

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

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Explanations

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1. Rules and Regulations pertaining to storage, management, and destruction of government records are promulgated by which division?

A. Storage Management and Destruction

B. Retention and Access

C. Archiving and Retrieval

D. Destruction and Disposal

This question tests which division governs the rules for how government records are stored, managed, and destroyed. The division whose title directly reflects those activities—storage management and destruction—is the one that promulgates those rules. Its scope includes how records are stored securely, how long they are kept, and how they are disposed of when appropriate. The other divisions focus on different aspects: retention and access covers how long records are kept and who can access them; archiving and retrieval handles moving records to long-term storage and retrieving them; destruction and disposal centers on the end-of-life destruction itself, not the broader storage and management framework. So the division that best fits governing storage, management, and destruction is the one labeled Storage Management and Destruction.

2. The governing body by what action must appoint an agent for rents and profits?

A. Resolution

B. Ordinance

C. Proclamation

D. Decree

The action to appoint an agent for rents and profits is handled through a formal decision by the governing body. A resolution is the instrument used to record and authorize such appointments in the council's proceedings, outlining the appointment, scope of authority, term, and conditions. This makes it a routine administrative step that reflects the collective will of the body and does not create new laws. An ordinance would be used to enact broader statutory provisions, which isn't necessary for this internal appointment. Proclamations are public notices or announcements, and decrees are judicial or executive orders, not the appropriate tool for appointing an agent in this context. That's why the appropriate action is a resolution.

3. Begin Accelerated Tax Sale occurs on which date?

A. November 11

B. November 5

C. October 31

D. December 1

The concept here is the timing of the accelerated tax sale within the tax collection process. The accelerated sale is the expedited phase that starts after the regular notices and requirements have been completed, and it marks when bidders can participate in quickly clearing delinquent taxes. In the standard schedule used for this material, that opening day is November 11, so that is the correct start date. The other dates fall outside the defined start of the accelerated phase, which is why they aren't correct within this framework.

4. A deputy does not need to be appointed by what?

- A. Resolution**
- B. Election**
- C. Merit**
- D. Court Appointment**

The key idea is how a deputy gets appointed. Depending on the rules of the jurisdiction, a deputy can be chosen by election, by merit-based appointment, or by court appointment. A resolution, while it can authorize actions or establish a position, is not the actual method that places someone into the deputy role. In other words, the office isn't created or filled simply by a resolution; the appointment is carried out through election, merit-based selection, or court appointment as permitted by law.

5. Numbering system in Revised Statutes is ____, _____, _____ and _____.

- A. TITLE, CHAPTER, SECTION, SUBSECTION**
- B. CHAPTER, TITLE, SECTION, SUBSECTION**
- C. TITLE, SECTION, CHAPTER, SUBSECTION**
- D. TITLE, CHAPTER, SUBSECTION, SECTION**

The numbers in the Revised Statutes follow a clear hierarchy: each statute is organized first by Title, then by Chapter within that Title, then by Section within that Chapter, and finally by Subsection within that Section. This order reflects how statutes are built from broad topics to more specific provisions, making it easy to locate the exact rule you need. For example, you might see a reference like Title parallel to a topic, Chapter narrowing that topic, Section pointing to the exact rule, and Subsection detailing a particular condition or exception. The other ordering options break this natural structure. They place a Chapter before a Title, or a Section before its Chapter, or a Subsection before its Section, which would not reflect how the statutory material is actually organized.

6. Within how many years must the lien holder surrender the certificate after being notified of redemption to avoid unclaimed funds going to the municipality?

- A. 3 years**
- B. 5 years**
- C. 7 years**
- D. 10 years**

When a tax lien is redeemed, the lien holder must surrender the original certificate within a set time after being notified of the redemption. The standard window used in many jurisdictions is five years. This gives the holder a definite period to act while ensuring the funds don't remain in limbo; if the certificate isn't surrendered within those five years, the funds are treated as unclaimed property and typically escheat to the municipality. Five years strikes a balance between allowing enough time for administrative processing and avoiding prolonged withholding of public revenue. (Some places may use a different period, but five years is the common baseline.)

7. By which date must cancellation of uncollectible taxes be completed?

- A. June 30**
- B. May 30**
- C. July 15**
- D. June 15**

The date reflects the end of the government's fiscal year, when the books are closed and year-end adjustments are made. Cancellation of uncollectible taxes is an end-of-year write-off to ensure the tax receivables balance shows only amounts that are truly collectable, and that the related loss is recognized in the same reporting period. Doing this by the fiscal-year close (June 30 in this context) keeps financial statements accurate and comparable, and supports a proper audit trail. Choosing any other date would miss the close of the year, which could delay recognizing the loss or leave uncollectible amounts sitting in assets for the next period, distorting year-to-year comparisons. The exact journal effect is to remove the uncollectible portion from receivables and recognize the associated expense or allowance, aligning assets with expected realizable value.

8. Which list of roles does the tax collector work closely with?

- A. Assessor, Attorney, CFO, Governing Body and Clerk**
- B. Auditor, Treasurer, Clerk, Mayor**
- C. Appraiser, Attorney, CFO, Governing Body**
- D. Assessor, Attorney, CFO, Governing Body and Treasurer**

The core of tax collection is working with the groups that establish the tax base, ensure legality, manage finances, and handle governance and records. The tax collector needs to coordinate with the assessor to determine property values that set the tax liability. Legal guidance and handling of disputes come from the attorney, who helps ensure compliance with tax laws and defends the collection process when needed. Financial management and reporting are handled with the CFO, so the tax collector's work aligns with budgeting, revenues, and cash flow. Policy direction and budget decisions come from the governing body, so ongoing collections reflect elected or appointed governance. Finally, keeping official records, posting notices, and issuing bills involve the clerk. Together, these roles cover the full cycle of setting, enforcing, and recording taxes. Other options skip or replace one of these essential collaborators. For example, the Treasurer role can overlap with finances but isn't the same as the clerk who handles records and notices, and including the mayor or auditor shifts focus away from the day-to-day collaboration that keeps collections compliant and accurately documented. Using appraiser instead of assessor also blends terms that can differ in jurisdictional practice, weakening the link to how valuations directly drive tax bills.

9. Which statement about foreclosure after a tax lien is true?

- A. Purchasers of a third-party lien can foreclose after 2 years**
- B. The municipality can foreclose after 3 months**
- C. Foreclosure is automatic after 1 month**
- D. Foreclosure can never occur after sale**

After a tax lien is sold to a third party, there's a defined redemption window during which the property owner can still pay what is owed. If that period passes without redemption, the lien holder may move forward with foreclosure to recover the unpaid taxes. The statement that a purchaser of a third-party lien can foreclose after two years reflects a common rule in many jurisdictions: two years is the typical timeframe after which foreclosure becomes available if taxes remain unpaid. The other options don't fit because foreclosure isn't automatic after a short period, and municipalities don't typically have a fixed, very short foreclosure window like three months. Foreclosure can occur after a sale if the owner did not redeem within the allowed period, so saying it can never happen after sale is incorrect.

10. Receipts for tax sales must be deposited within how many hours?

- A. 24 hours**
- B. 48 hours**
- C. 72 hours**
- D. 96 hours**

Receipts for tax sales are public funds, so they must be moved into the official treasury promptly to maintain accountability and accurate records. Depositing within forty-eight hours of receipt strikes the right balance between giving staff enough time to prepare a proper deposit and ensuring funds don't sit idle in the office. It reduces the risk of loss or misplacement and keeps cash flow and ledgers up to date. depositing within twenty-four hours can be too tight for daily processing and reconciliation, especially if receipts come in at the end of the day or require end-of-day posting. Waiting longer, such as seventy-two or ninety-six hours, increases exposure to loss and delays in reporting, which can raise audit concerns.

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://taxcollection.examzify.com>

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

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