



# CS EXECUTIVE

## Tax Law and Practice

### Question Paper Analysis Report – 2026

#### SECTION 1: CHAPTER-WISE TOPIC ANALYSIS

##### PART I — Income Tax Act, 1961

Q.No	Chapter	Topic / Sub-topic	Marks	Part	Priority
1(a)	<b>Business Income &amp; Tax Computation</b>	Computation of Total Income – Lalit (Default Tax Regime u/s 115BAC)	5	1(a)	<input type="checkbox"/> <b>CRITICAL</b>
1(b)	<b>Tax Liability &amp; Surcharge</b>	Tax Payable – Default Tax Regime u/s 115BAC (Surcharge, Cess)	5	1(b)	<input type="checkbox"/> <b>CRITICAL</b>
1(c)	<b>Old Tax Regime (Sec 115BAC)</b>	Total Income under Old Tax Regime (deductions u/s 80C, 80D etc.)	2	1(c)	<input type="checkbox"/> <b>HIGH</b>
1(d)	<b>Old Tax Regime – Tax Payable</b>	Tax payable under Old Tax Regime – rebate u/s 87A, surcharge	2	1(d)	<input type="checkbox"/> <b>HIGH</b>
1(e)	<b>Tax Regime Selection</b>	Beneficial Tax Regime Suggestion (Old vs New/Default)	1	1(e)	<input type="checkbox"/> <b>MEDIUM</b>
2(a)	<b>Salaries (Sec 15–17)</b>	Taxable Salary – HRA, DA, Entertainment Allowance, RPF, Company Car Perquisite	5	Q2	<input type="checkbox"/> <b>CRITICAL</b>
2(b)	<b>Income from Other Sources (Sec 56)</b>	Ms. Neha – Gifts (birthday, wedding, father), Plot received free, TV game show prize, Machinery rent	5	Q2	<input type="checkbox"/> <b>CRITICAL</b>
2(c)	<b>Set-off &amp; C/f of Losses (Sec 70–80)</b>	Ramesh – Business losses, Horse race losses, LTCL on shares, GTI and loss c/f	5	Q2	<input type="checkbox"/> <b>CRITICAL</b>



Q.No	Chapter	Topic / Sub-topic	Marks	Part	Priority
3(a)	Chapter VI-A Deductions	Raghav – Deductions u/s 80C, 80D, 80E, 80G on GTI ₹9 lakhs (Old Regime)	5	Q3	☐ CRITICAL
3(b)	Residential Status (Sec 6)	Mr. Bhanu – Citizen of India, 45 days stay; GTI computation including foreign income	5	Q3	☐ HIGH
3(c)	House Property (Sec 22–27)	Anupam – 2 units, SOP + Let Out; Annual Value, Municipal taxes, Interest deduction	5	Q3	☐ CRITICAL
4(a)	Advance Tax (Sec 207–211)	Persons exempt from advance tax; Capital gains and lottery income advance tax treatment	5	Q4	☐ HIGH
4(b)	Return of Income (Sec 80, 139)	Mandatory filing of return of loss u/s 80; persons required to file	5	Q4	☐ HIGH
4(c)	Updated Return (Sec 139(8A))	Updated return cannot be filed if original return is loss return u/s 139(3) – validity check	5	Q4	☐ MEDIUM
4A(i)	Capital Gains (Sec 45, 56(2))	Amit – Interest on enhanced compensation (Sec 56(2)(viii)); taxability year-wise (2022–25)	5	Q4A	☐ HIGH
4A(ii)	Pension, STCG, Partnership Income	Mr. Pankaj (85 yrs) – Pension, RPF salary, bank interest, STCG on furniture; Total Income + Tax	5	Q4A	☐ HIGH
4A(iii)	Clubbing of Income (Sec 64)	Karan Bothra – STCL, LTCG, wife's professional income (clubbing), minor's income (Sec 64(1A))	5	Q4A	☐ CRITICAL

## PART II – GST & Customs Laws

Q.No	Chapter	Topic / Sub-topic	Marks	Part	Priority
5(a)	Output Tax Liability (GST)	Khatri Electronics – Outward supply: advance, inter-state supply, freight, commissioning services, related party supply, pre-agreed discount	5	Q5	☐ CRITICAL
5(b)	Input Tax Credit (ITC)	Khatri Electronics – Eligible ITC: raw materials, SUV (motor vehicle), composition dealer purchase, capital goods (IGST), staff catering (blocked credit)	5	Q5	☐ CRITICAL



Q.No	Chapter	Topic / Sub-topic	Marks	Part	Priority
5(c)	<b>GST Payment &amp; Utilisation</b>	Net minimum GST payable in cash after ITC utilisation (CGST/SGST/IGST cross-utilisation rules)	4	Q5	☐ <b>HIGH</b>
5(d)	<b>GST Annual Return (Sec 44)</b>	Due date of Annual Return u/s 44 CGST; late fees u/s 47(2) for delayed filing (₹6 crore turnover)	6	Q5	☐ <b>HIGH</b>
6(a)	<b>Time of Supply – Services</b>	Banshi Lal & Co. – 3 cases: service completed before invoice, after invoice, advance payment for incomplete service	5	Q6	☐ <b>CRITICAL</b>
6(b)	<b>Value of Taxable Supply (GST)</b>	Shri Keshri – installation/testing charges, freight, year-end discount (not included), late fees waived, weighment charges	5	Q6	☐ <b>CRITICAL</b>
6(c)	<b>ITC – Section 16 Conditions</b>	Arihant Ltd. – ITC on iron (2 lots), accessories (direct delivery), transformers, truck, truck insurance	5	Q6	☐ <b>CRITICAL</b>
6(d)	<b>Customs – Assessable Value</b>	Rajkumar Enterprises – CIF value computation: FOB + freight + license fee + agent commission + insurance	5	Q6	☐ <b>HIGH</b>
6A(i)	<b>Final Return (GST)</b>	Ramada Ltd. winding up – Annual return vs Final return at cancellation; CGST Act 2017 provisions	5	Q6A	☐ <b>MEDIUM</b>
6A(ii)	<b>Composition Levy (Sec 10)</b>	Yash Enterprises (pan masala, intra-state) and Anirudh Manufacturers (inter-state supply) – eligibility for composition levy	5	Q6A	☐ <b>MEDIUM</b>
6A(iii)	<b>Time of Supply – Advance (GST)</b>	GST payable on advance received for supply of goods/services under forward charge – legal provisions	5	Q6A	☐ <b>HIGH</b>
6A(iv)	<b>Customs – Types of Duty</b>	Five types of customs duty on imported goods under Schedule I of Custom Tariff Act, 1975	5	Q6A	☐ <b>MEDIUM</b>



## SECTION 2: CRITICAL TOPICS TO PREPARE

### A. INCOME TAX — TOP TOPICS

Topic	What to Study	Key Sections
<b>New vs Old Tax Regime</b>	Slab rates under 115BAC, which deductions are allowed/disallowed, business income adjustments, rebate u/s 87A, surcharge on different income types	Sec 115BAC, 87A, 2(14A)
<b>Salary Perquisites &amp; Allowances</b>	HRA exemption formula (Sec 10(13A)), DA forming part of retirement benefits, company car perquisite (engine > 1.6L), RPF contributions u/s 10(12), entertainment allowance for Govt. employees, taxable bonus	Sec 10(13A), 10(12), 17(2), Rule 3
<b>Gifts &amp; Other Sources</b>	Section 56(2)(x) – Gifts: money >₹50K, immovable property without consideration, movable property. Exceptions: received on marriage, from relatives. Gift vouchers from TV shows fully taxable. Machinery rent income (not PGBP if not primary business)	Sec 56(2)(x), 56(2)(viii)
<b>Loss Set-off Rules</b>	Horse race losses cannot be set off against other heads. Business loss can be set off within same year across heads (not against salary). LTCL only against LTCG. Discontinued business – loss from date of discontinuance. Section 73A – speculation loss	Sec 70, 71, 72, 73, 74
<b>Chapter VI-A Deductions</b>	80C: LIC premium limit (10% of sum assured for post-2012 policies), PPF, tuition fees (max 2 children). 80D: self/family ₹25K, parents ₹50K (senior citizens), payment by credit card valid. 80E: spouse education loan valid. 80G: PM National Relief Fund – 100% deduction. Housing loan from relative – NO deduction u/s 80EEA	Sec 80C, 80D, 80E, 80G, 80EEA
<b>House Property Income</b>	Annual Value determination: Gross Annual Value = higher of Expected Rent and Actual Rent. Municipal taxes deductible only if paid by owner. 30% standard deduction. Interest on housing loan u/s 24(b) – no limit for let-out property. Self-occupied property – deemed nil Annual Value	Sec 22, 23, 24, 25A
<b>Clubbing of Income</b>	Wife's income from firm where husband is director clubs with husband if wife earns due to husband's influence (Sec 64(1)(ii)). Minor's income (other than from skill/talent) clubs with higher income parent; ₹1,500 exemption per minor child u/s 10(32)	Sec 60, 61, 64, 10(32)



Topic	What to Study	Key Sections
<b>Depreciation (Business)</b>	Additional depreciation u/s 32(1)(ia) – 20% for new P&M (first year), 10% if put to use < 180 days. WDVM method for IT purposes. Depreciation computed per Income Tax Rules – NOT on book values	Sec 32, Rule 5

## B. GST & CUSTOMS — TOP TOPICS

Topic	What to Study	Key Sections
<b>Value of Supply (GST)</b>	Transaction value = price + incidental charges + freight (if included in price) + installation charges. Inclusions: pre-agreed discount in invoice = DEDUCTED. Year-end trade discounts without invoice adjustment = NOT deducted. Late fees waived by supplier = not included. Weighment charges paid by buyer on behalf of supplier = included	Sec 15 CGST
<b>Input Tax Credit (ITC) – Blocked Credits</b>	Motor vehicles for transportation of persons (SUV) – BLOCKED unless used for specific purposes. Goods directly delivered to dealer on buyer's instruction – ITC available to buyer if invoice addressed to buyer. Capital goods ITC available. Catering/food for employees (voluntary welfare) – BLOCKED u/s 17(5). Goods received in lots – ITC on LAST lot	Sec 16, 17(5) CGST
<b>Time of Supply</b>	Services: earliest of (invoice date, 30 days from service completion) or payment date whichever is earlier. Advance for goods: time of supply = date of receipt of advance (for vouchers, actual redemption). For incomplete services with advance payment = date of advance payment	Sec 12, 13 CGST
<b>Annual Return (Sec 44) &amp; Late Fees</b>	Due date: 31st December following end of FY. Late fee u/s 47(2): ₹100/day per CGST + ₹100/day per SGST (total ₹200/day). Maximum: 0.25% of turnover in state. Turnover up to ₹5 crore – maximum ₹50/day per Act. Turnover > ₹5 crore – ₹100/day per Act	Sec 44, 47(2) CGST
<b>Customs – Assessable Value</b>	Transaction Value method (Sec 14 Customs Act): FOB + ocean freight (actuals, or 20% of FOB if actual unavailable) + insurance (1.125% of FOB if actual unknown) + license fee (condition of sale = included) + agent commission in India = NOT included. Use CBIC exchange rate for conversion	Sec 14 Customs Act, Customs Valuation Rules 2007



## SECTION 3: PREDICTED FUTURE EXAM QUESTIONS

S.No	Chapter	Predicted Question / Topic	Est. Marks	Probability
1	<b>Business Income + 115BAC</b>	Comprehensive computation of business income with depreciation, TDS deductions, and comparison of Old vs New Tax Regime	15	★★★★★ Very High
2	<b>ITC under GST</b>	Determine eligible/ineligible ITC including blocked credit scenarios – motor vehicles, construction services, food/beverages, personal consumption	5	★★★★★ Very High
3	<b>Salary Income</b>	Perquisite valuation – ESOP, rent-free accommodation, medical reimbursement; LTA exemption; Gratuity computation	5	★★★★★ High
4	<b>Capital Gains</b>	LTCG on equity shares (Sec 112A) – grandfathering provision; Indexed cost of acquisition; Exemption u/s 54, 54EC on sale of house property	5	★★★★★ High
5	<b>GST Registration</b>	Compulsory vs voluntary registration; threshold limits; persons exempt from registration; amendment and cancellation of registration	5	★★★★★ High
6	<b>Place of Supply (GST)</b>	Place of supply for services – banking, telecom, immovable property related services, online services; inter-state vs intra-state determination	5	★★★★★ Medium
7	<b>TDS Provisions</b>	TDS rates on salary, rent, professional fees, commission; TDS on cash withdrawals (Sec 194N – used in Q1 paper data); consequences of non-deduction/non-payment	5	★★★★★ Medium
8	<b>Exempt Incomes (Sec 10)</b>	Agricultural income, HUF income, gratuity exemption, VRS, PPF maturity – comprehensive question on which incomes are exempt under Section 10	5	★★★★★ Medium
9	<b>GST Exempt Supplies &amp; Nil-Rated</b>	Classification of exempt vs nil-rated vs non-taxable supplies; effect on ITC; concept of aggregate turnover	5	★★★★★ Medium



S.No	Chapter	Predicted Question / Topic	Est. Marks	Probability
10	Customs – Import Procedure	Bill of Entry; types (for home consumption, bonded warehouse, transshipment); role of customs broker; demurrage; warehousing provisions	5	★★★★★ Moderate

## ✚ Exam Analysis dekh liya? Ab Action Plan bhi bana lo.

Get:

- Personal Mentor Guidance
- Study Planning & Tracking
- Test Series & Evaluation
- Daily Accountability

**Get Free 1:1 Mentorship Worth Rs. 3000, Fill the below form-**

<https://docs.google.com/forms/d/16JAS6l9m4F42sTD6cmQpqtM0v6kpaGeASfNu4VJl7hc/edit>

### Here is What we Provide in Our Mentorship.

**CA | CMA | CS | BANKING**

**BA26210142 Megha CA Final Pass Guarantee Batch - PRO Paper 3 Sep26**

4 members

**Bhagya Achiever Mentor**

Yes 11:08

Date Topic

- 01-jun-2026 Related Services (SA 4400, 4410) - A
- 02-jun-2026 Reviews of Financial Information (SRE 2400, 2410) - A
- 03-jun-2026 Prospective Financial Information - A
- 04-jun-2026 Digital Audit - C
- 05-jun-2026 Group Audit - B
- 06-jun-2026 Group Audit - B
- 07-jun-2026 Group Audit - B
- 08-jun-2026 Audit Planning - B
- 09-jun-2026 Quality Control - B
- 10-jun-2026 Materiality - B
- 11-jun-2026 Materiality - B
- 12-jun-2026 Audit Evidence - A
- 13-jun-2026 Audit Evidence - A
- 14-jun-2026 PSJ Audit - A
- 15-jun-2026 Internal Audit + 600 Series - B
- 16-jun-2026 Bank Audit - C
- 17-jun-2026 Bank Audit - C

Test after every chapter 11:16

June 2

Megha Tayal  
Mam yesterday I couldn't start today I will start 11:30

Bhagya Achiever Mentor  
All good 🍀? 17:31

Megha Tayal  
Given test of related services 20:53

June 3

**Daily Target's by CA Mentor**

**BA26210177 THANUJA CA Final Pass Guarantee Batch - PASS Paper 5 Sep 26**

4 members

**Pinned message**

This is my broad time line for finishing my 1st revision. 21st of May will mark the e

June 2

Thanuja Hari  
Okay maam 14:54

Bhagya Achiever Mentor  
Hi can we connect 15:11

Click <https://us04web.zoom.us/j/77350967491?pwd=ICMmMzB6A8BScUplGVNS7B04nAVRUG.1> to start or join a scheduled Zoom meeting.

Zoom  
Join our Cloud HD Video Meeting  
Zoom is the leader in modern enterprise cloud communications.

15:11

Thanuja Hari  
Are we meeting at 4pm? 15:13

Bhagya Achiever Mentor  
3pm 15:14

Thanuja Hari  
I am in the waiting room maam 15:14

Thanuja Hari  
The meeting says scheduled at 4pm 15:14

Bhagya Achiever Mentor  
Hi respond 15:16

Thanuja Hari  
You are not audible 15:18

**1:1 Personalized Mentorship**

**BA26910364 Anirudh Sharma CS Executive exam booster g2 June26**

4 members

**Pinned message**

Mam list of topics I had studied CMSL 1. Basics of capital markets 2. SEBI Act

CS Neha Sajrani  
Then next paper ki pa...  
ji mam 12:51

CS Neha Sajrani  
Anirudh Srma  
Voh toh bilkul bhi nh...  
Good 12:53

June 4

Anirudh Srma  
Good afternoon mam 12:25

Paper okay okay gya hai mam 12:25

AS  
Attempted 90 marks 12:25

CS Neha Sajrani  
Anirudh Srma  
Attempted 90 marks  
Good 12:36

Anirudh Srma  
Paper okay okay gya hai mam  
Koi naaa now take some rest then start revising for next paper 12:36

CS  
It's completely fine kuch papers bht acche jaayenge kuch ok ok 12:36

Anirudh Srma  
Okay mam 12:37

**Daily Followups By CA Mentor**

**Want to Clear CA/CMA/CS/BANKING ?**

Comment "Hi"