SoloLedger

Advance Tax Action Guide

Estimate it. Plan it. Reserve it. Pay it without last-minute panic.

INDIA | TAX YEAR 2026-27

THE SIMPLE SYSTEM

Know what tax may still be due - and what cash to prepare next.

Estimate
Annual tax

→

Subtract
TDS + credits

→

Plan
Next milestone

15 JUN	**15%**
15 SEP	**45%**
15 DEC	**75%**
15 MAR	**100%**

100-PAGE PRACTICAL GUIDE

Contents

Use this book beside the SoloLedger workbook. Every chapter moves from concept to calculation to action.

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HOW TO USE THE BOOK

Start with the section that matches your current problem. Use the worked examples to understand the calculation, then open the matching SoloLedger tab and update your own numbers.

HOW TO READ THIS BOOK

Start with the concept, then use the worked example, then open the matching SoloLedger tab.

You do not need to memorise tax rules. The guide is designed to help you make the next money decision clearly.

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What this guide solves

Advance tax feels confusing because freelancer income rarely arrives in neat monthly amounts.

This guide turns the problem into a repeatable process: estimate, subtract credits, check the next milestone, reserve cash, then update when income changes.

You do not need to predict the year perfectly on day one. You need a system that gets better as the year develops.

1. Know the number you are planning from
2. Understand what TDS has already covered
3. See the next cumulative milestone
4. Keep a cash buffer before the due date
5. Know when the workbook needs a manual estimate

> The goal is not “perfect tax forecasting.” The goal is fewer surprises.

IN SIMPLE WORDS

The problem is not the tax formula.

The real problem is timing. Freelancers can receive a large payment, spend it, and only later realise part of that cash should have been kept for tax.

REAL EXAMPLE

See the idea with numbers

You receive ₹2.5L from two clients in one month. Before increasing personal spending, update SoloLedger so you can see what still needs to be reserved.

STEP 1

Update records

Invoices, expenses and TDS

STEP 2

Project the year

Tracked, annualised or custom

STEP 3

Review tax plan

Use the latest estimate

WHAT TO DO IN SOLOLEDGER

Tax Estimate Helper

Keep invoices, expenses and TDS current first. Then choose the projection that best matches what you know today.

Advance tax in plain English

Instead of waiting until the year is over, part of the expected tax can be paid during the year.

Think of advance tax as a cash-planning problem before you think of it as a tax form. You are earning income now, so you periodically review the tax that may still need to be funded.

For a freelancer, the practical challenge is that income can jump, pause, or arrive late. That is why your estimate should be reviewed more than once.

Estimate annual tax → **subtract TDS / other credits** → **compare with advance-tax milestones** → **record what you pay.**

Simple mental model: Estimate annual tax -> subtract TDS / other credits -> compare with advance-tax milestones -> record what you pay.

IN SIMPLE WORDS

Advance tax is simply tax paid during the year.

You estimate the year, subtract credits such as TDS, and pay portions of the remaining plan by the relevant dates. The estimate can change later.

REAL EXAMPLE

See the idea with numbers

Think of it like electricity bills: you do not wait until the end of the year to pay for all usage at once.

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Who should pay attention?

This matters most when tax is not already being fully covered through withholding.

Freelancers, consultants, professionals, creators and people with side income often receive payments from several sources. Some clients deduct TDS; others may not. Expenses and project timing also change the business-income estimate.

That mix makes a “wait until March” habit risky.

1. Full-time freelancers
2. Consultants and professionals
3. Creators and coaches
4. People with salary + freelance income
5. People using a presumptive professional scheme

> Even if you finally owe little or no advance tax, reviewing the position is still useful.

IN SIMPLE WORDS

You care when tax is not fully covered for you.

A freelancer may have clients deducting TDS, clients deducting nothing, salary income, interest income or several projects. All of those can change the amount still to fund.

REAL EXAMPLE

See the idea with numbers

If one client deducts TDS and another does not, your bank receipts may look similar but the remaining tax burden can be very different.

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The ₹10,000 planning trigger

Use the net tax position after relevant credits, not the headline tax figure alone.

Income Tax Department guidance describes advance-tax liability as generally relevant when the estimated tax payable for the year exceeds ₹10,000.

For planning, SoloLedger first looks at estimated tax, then subtracts TDS and other eligible credits before building an advance-tax schedule.

EXAMPLE

Estimated tax ₹72,000 - TDS ₹65,000 = ₹7,000 still to fund. In the simplified SoloLedger planner this does not create an advance-tax schedule.

This is a planning screen, not a filing determination.

IN SIMPLE WORDS

The ₹10,000 figure is about estimated tax still payable.

The workbook first looks at the estimated annual tax and then gives credit for amounts already covered. It should not treat ₹10,000 of income as the trigger.

REAL EXAMPLE

See the idea with numbers

Estimated tax ₹42,000 - TDS ₹35,000 = ₹7,000 still payable. In this simple planning example, the net amount is below ₹10,000.

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Source / reference: Income Tax Department - Advance Tax / ITR guidance: https://www.incometax.gov.in/

The advance tax money map

Five numbers turn a vague tax worry into a manageable cash plan.

Projected business income 1 → **Estimated tax before credits** 2 → **TDS / other eligible credits** 3 → **Advance tax already paid** 4 → **Remaining cash to prepare** 5

IN SIMPLE WORDS

Use one chain of numbers.

Do not jump from bank balance straight to a tax payment. Build the chain: income estimate → tax estimate → credits → net plan → milestone → payment.

REAL EXAMPLE

See the idea with numbers

If your annual estimate changes, only the numbers after that point need to be refreshed. You do not rebuild the whole system from zero.

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Meet Arjun

We will use one freelancer repeatedly so each concept connects to a real situation.

REAL-WORLD SCENARIO

Follow the numbers, then focus on the decision.

Arjun is a freelance designer. His monthly income is irregular, some clients deduct TDS, and he sometimes pays subcontractors. He uses regular books for the main example.

At the start of the year he expects ₹16 lakh of professional receipts, ₹3 lakh of net business costs and some TDS. That estimate will change as new work arrives.

STARTING ASSUMPTIONS

Projected receipts ₹16,00,000 | projected net business cost ₹3,00,000 | initial estimated business income ₹13,00,000

IN SIMPLE WORDS

Follow one freelancer through the book.

Arjun is not meant to represent every taxpayer. He is a simple running example so you can see how the same workflow reacts when income, TDS and expenses change.

REAL EXAMPLE

See the idea with numbers

Whenever Arjun gets a new client, ask the same question for yourself: “What changed in my annual estimate and my next payment?”

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Why freelancers get caught out

Irregular cash flow makes tax easy to postpone mentally.

Employees usually see withholding happen automatically. Freelancers often see a large bank balance first and the tax obligation later.

A few strong months can make the year look better than expected. If you spend the whole increase, a later tax review can feel like a sudden bill.

1. Income arrives unevenly
2. Some invoices are part-paid
3. TDS differs by client
4. Expenses move profit up or down
5. Projects can be added or cancelled

IN SIMPLE WORDS

Freelancers usually get surprised by cash flow, not by arithmetic.

A good month can create a false feeling of extra money. The safer habit is to update the estimate before treating the whole bank increase as available.

REAL EXAMPLE

See the idea with numbers

Three quiet months followed by one ₹4L project can completely change the annual tax estimate even though the year started slowly.

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Tax due is not the same as cash still to fund

Credits matter.

Your estimated total income tax is the starting point. TDS already withheld on your behalf can reduce the additional cash you still need to provide.

That is why SoloLedger never treats TDS as bank cash. It is a tax credit bucket.

WORKED CHECK

Estimated total tax ₹1,50,000 - TDS credit ₹40,000 = ₹1,10,000 net tax still to fund.

Estimate	-	Credits	=	Fund
Total tax		TDS + others		Net tax

IN SIMPLE WORDS

Total tax and cash still to pay are different.

TDS and earlier advance-tax payments may already cover part of the annual estimate. Only the remaining amount needs fresh cash.

REAL EXAMPLE

See the idea with numbers

Estimated tax ₹1.50L - TDS ₹40k - advance tax already paid ₹20k = ₹90k still to fund.

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Bank cash is not the tax number

A payment can contain several different economic pieces.

Your bank receipt may reflect GST collected, a part payment, or a settlement after TDS. None of those automatically equals taxable business income.

The tax estimate should be built from the relevant income base and current facts, not simply from the balance visible in your account.

VIEW 1

Gross / before adjustment

1. Bank cash = what physically arrived
2. Professional receipts = service value credited

VIEW 2

Net / action number

1. TDS = tax credit, not cash
2. GST = separate obligation bucket where applicable

IN SIMPLE WORDS

Bank cash is a payment record, not a tax calculation.

The amount entering your bank can be lower because of TDS, higher because it includes GST, or partial because the invoice was not fully settled.

REAL EXAMPLE

See the idea with numbers

A ₹1.18L invoice can produce ₹1.08L bank cash if ₹10k TDS was withheld. That does not mean your professional fee was ₹1.08L.

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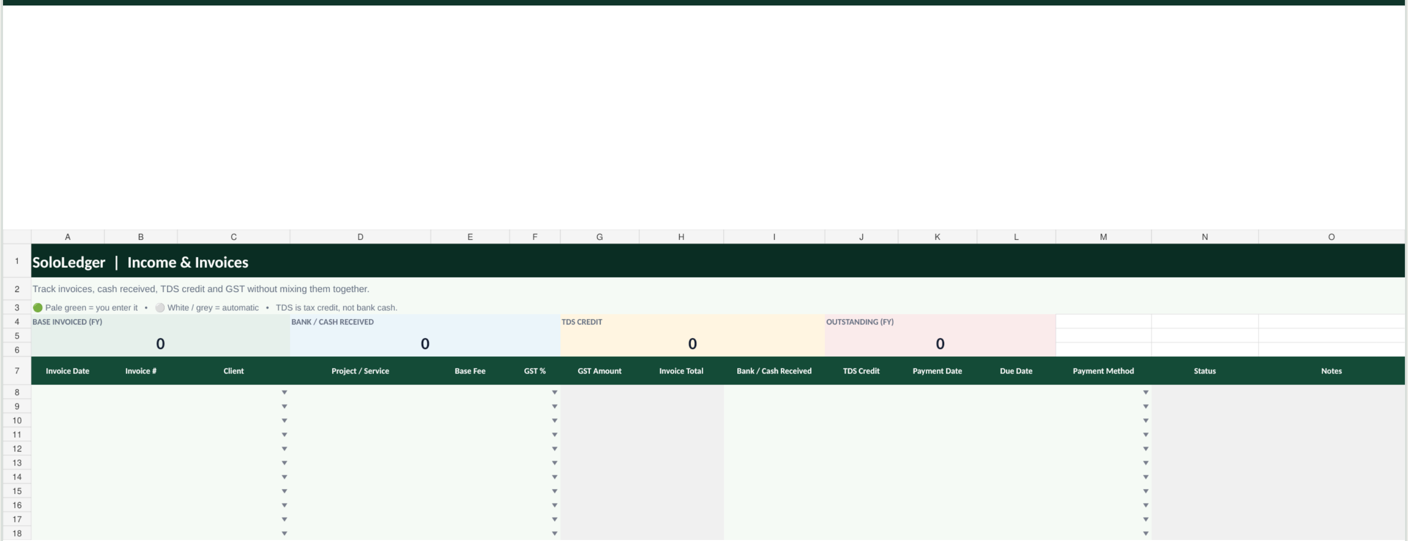
What SoloLedger tracks

The workbook separates the inputs before it calculates the planning output.

The Income & Invoices tab records base fee, GST, bank cash received and TDS credit separately. That separation feeds the calculations used by Reports, Tax Estimate Helper and Advance Tax Planner.

REAL SOLOLEDGER WORKBOOK



SoloLedger | Income & Invoices

Track invoices, cash received, TDS credit and GST without mixing them together.

🟢 Pale green = you enter it • ⚪ White / grey = automatic • TDS is tax credit, not bank cash.

BASE INVOICED (FY)	BANK / CASH RECEIVED	TDS CREDIT	OUTSTANDING (FY)
0	0	0	0

Invoice Date	Invoice #	Client	Project / Service	Base Fee	GST %	GST Amount	Invoice Total	Bank / Cash Received	TDS Credit	Payment Date	Due Date	Payment Method	Status	Notes

> Clean inputs are what make the later tax numbers useful.

IN SIMPLE WORDS

SoloLedger separates the jobs.

Income & Invoices stores the transaction. Expenses stores costs. Tax Estimate Helper builds the annual estimate. Advance Tax converts that estimate into dated targets.

REAL EXAMPLE

See the idea with numbers

If one number looks wrong, check the sheet that owns that number instead of editing a dashboard result.

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The five numbers you need

Before every advance-tax review, collect these five numbers.

1. Projected annual normal-rate taxable income or a professional estimate
2. Estimated annual income tax before credits
3. TDS credit already available / expected
4. Other eligible tax credits
5. Advance tax already paid

WHY THIS MATTERS

If one of these changes materially, the amount due at the next milestone can also change.

IN SIMPLE WORDS

You only need five inputs to understand the plan.

Start with projected taxable income, estimated tax, TDS credit, other credits and advance tax already paid. Everything else supports those numbers.

REAL EXAMPLE

See the idea with numbers

If the estimate says ₹1.4L tax, TDS is ₹50k and ₹15k advance tax is already paid, the remaining cash requirement is ₹75k.

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Estimate, not prophecy

An advance-tax plan is allowed to improve as the year becomes clearer.

You may not know your exact December revenue in June. The practical response is not to avoid estimating; it is to use the best information you currently have and refresh the estimate when facts change.

This is why SoloLedger includes Tracked YTD, Annualise YTD and Custom Annual modes.

> A good estimate that gets updated is more useful than a “perfect” estimate you never make.

IN SIMPLE WORDS

An estimate is allowed to improve.

Early in the year you know less. By September and December you know more. The goal is to keep updating rather than pretending your April forecast is exact.

REAL EXAMPLE

See the idea with numbers

A ₹12L April projection can become ₹18L in October. That is normal; update it and let the later cumulative targets catch up.

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Invoices, expenses and TDS

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Why the estimate changes

A new fact changes the plan.

New ₹4L project → **projected annual income rises** → **tax estimate rises** → **next cumulative target rises** → **reserve more cash.**

Example flow: New ₹4L project -> projected annual income rises -> tax estimate rises -> next cumulative target rises -> reserve more cash.

IN SIMPLE WORDS

The estimate changes when the business changes.

New projects, cancellations, larger costs, different TDS and other income can all move the result. That is why a monthly review is more useful than one yearly guess.

REAL EXAMPLE

See the idea with numbers

A ₹3L cancelled project may reduce projected profit and therefore reduce the amount you still need to reserve.

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Update records

Invoices, expenses and TDS

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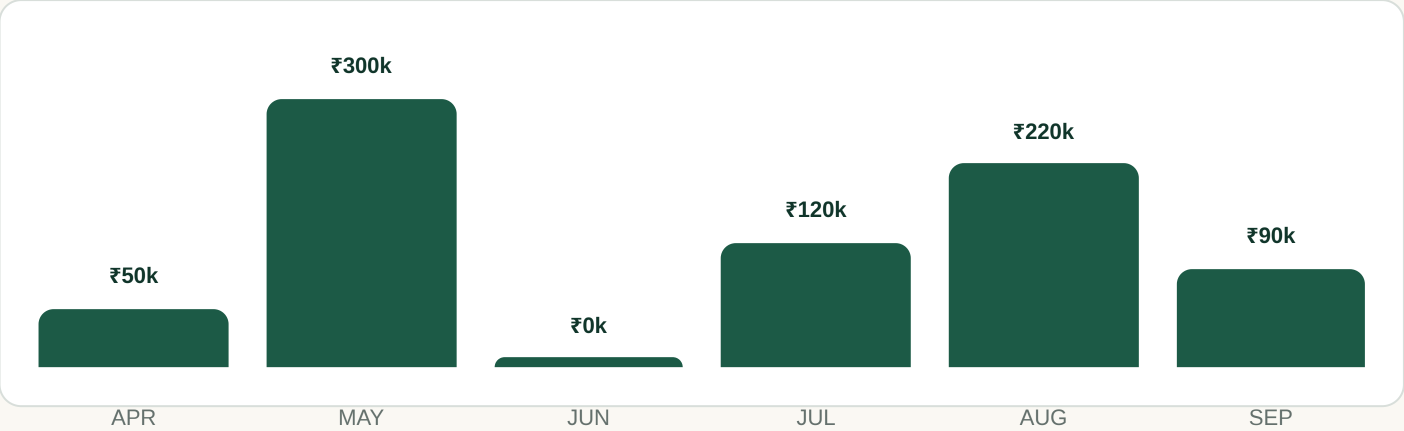
Keep invoices, expenses and TDS current first. Then choose the projection that best matches what you know today.

Irregular income example

Do not assume every month looks like your best month.

Arjun earns ₹50,000 in April, ₹3,00,000 in May, nothing in June and ₹1,20,000 in July. A naive “May x 12” projection would be absurd.

Use a projection method that reflects the type of pipeline you actually have.



FOUR-MONTH CASH PATTERN

Apr ₹50k | May ₹3.0L | Jun ₹0 | Jul ₹1.2L

IN SIMPLE WORDS

Do not annualise one unusual month blindly.

Annualising works best when the year-to-date period is representative. If you had a launch, bonus project or unusually quiet period, use a custom annual estimate instead.

REAL EXAMPLE

See the idea with numbers

May revenue ₹3L does not automatically mean ₹36L for the year if May contained one exceptional project.

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Update records

Invoices, expenses and TDS

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WHAT TO DO IN SOLOLEDGER

Tax Estimate Helper

Keep invoices, expenses and TDS current first. Then choose the projection that best matches what you know today.

Three ways to project income

Choose the method that matches how much you know.

1. Tracked YTD - use only what has happened so far
2. Annualise YTD - extend the year-to-date pattern across 12 months
3. Custom Annual - enter a realistic annual figure based on signed projects / pipeline

> Custom Annual is often better when your pipeline is lumpy but already visible.

IN SIMPLE WORDS

Pick the projection method that matches reality.

Tracked YTD shows only what has happened. Annualise YTD extends the current pace. Custom Annual lets you include known future contracts or expected slow periods.

REAL EXAMPLE

See the idea with numbers

If you already signed a ₹6L project starting next month, Custom Annual may be more realistic than simply annualising the past.

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Chapter recap

Your first advance-tax review should end with an action, not just a number.

1. Update invoices and expenses
2. Confirm TDS entries
3. Choose a projection method
4. Review estimated total tax
5. Subtract credits
6. Check the next cumulative milestone
7. Move enough cash into your tax reserve

IN SIMPLE WORDS

The monthly habit matters more than memorising rules.

Update transactions, verify TDS, refresh the estimate and check the next milestone. That four-step rhythm prevents most surprises this guide is designed to solve.

REAL EXAMPLE

See the idea with numbers

Set one monthly calendar reminder: “Update SoloLedger tax plan.” Ten focused minutes is enough when records are current.

STEP 1

Update records

Invoices, expenses and TDS

STEP 2

Project the year

Tracked, annualised or custom

STEP 3

Review tax plan

Use the latest estimate

The four regular milestones

The percentages are cumulative targets.

For regular advance-tax planning, Income Tax Department guidance uses four cumulative milestones during the tax year.

15 JUN	15 SEP	15 DEC	15 MAR
15%	**45%**	**75%**	**100%**
Cumulative target	Cumulative target	Cumulative target	Cumulative target

1. 15 June - 15%
2. 15 September - 45%
3. 15 December - 75%
4. 15 March - 100%

IN SIMPLE WORDS

The percentages are checkpoints, not four separate taxes.

By each date, your total advance tax paid should broadly reach the stated percentage of the current annual plan.

REAL EXAMPLE

See the idea with numbers

Annual plan ₹2L → by June ₹30k total, by September ₹90k total, by December ₹1.5L total, by March ₹2L total.

STEP 1
Find annual plan
Net tax after credits

STEP 2
Apply milestone
15%, 45%, 75% or 100%

STEP 3
Subtract paid
Only fund the top-up

Source / reference: Income Tax Department Tax Payments FAQ: https://www.incometax.gov.in/iec/foportal/help/all-topics/e-filing-services/tax-payments-faq

What “cumulative” means

Do not add 15% + 45% + 75% + 100%.

Each date asks how much of the annual plan should have been paid in total by then. The new payment is the target minus earlier payments.

This distinction prevents one of the most common calculation mistakes.

₹1,00,000 ANNUAL PLAN

June target ₹15,000. September target ₹45,000 total. If June ₹15,000 was paid, the September top-up is ₹30,000.

Estimate	-	Credits	=	Fund
Total tax		TDS + others		Net tax

IN SIMPLE WORDS

Cumulative means “total paid by now.”

For each milestone, calculate the target to date and subtract earlier advance-tax payments. The difference is the top-up you are planning for now.

REAL EXAMPLE

See the idea with numbers

Annual plan ₹1L. September target = ₹45k total. If ₹15k was already paid in June, September top-up = ₹30k.

STEP 1

Find annual plan

Net tax after credits

STEP 2

Apply milestone

15%, 45%, 75% or 100%

STEP 3

Subtract paid

Only fund the top-up

WHAT TO DO IN SOLOLEDGER

Advance Tax Planner

Use the current annual tax plan, apply the cumulative milestone, then subtract what you have already paid.

June: the first checkpoint

You have limited data, so focus on a reasonable starting estimate.

By June you may only have a few months of invoices. Review confirmed projects, expected receipts, likely expenses and TDS already appearing on payments.

The purpose is to establish the first cash target, not to lock the whole year forever.

1. Update actuals
2. Review signed work
3. Choose projection mode
4. Check TDS
5. Fund first target

IN SIMPLE WORDS

June is an early checkpoint.

You may have only a few months of data, so the estimate can be rough. Use current contracts, realistic expected income and known costs instead of pretending certainty.

REAL EXAMPLE

See the idea with numbers

If your first quarter is unusually slow but you have signed work for July onward, a custom annual estimate can be more sensible.

JUNE CHECKPOINT

Before you calculate the first 15%, answer these four questions

Income	Costs	TDS	Cash
What is realistically expected this year?	What business costs are already known?	What credit is already visible or expected?	Can you fund the June top-up comfortably?

WHAT TO DO IN SOLOLEDGER

Advance Tax Planner

Use the current annual tax plan, apply the cumulative milestone, then subtract what you have already paid.

June worked example

Use the 15% cumulative target.

Annual net tax plan	______
Cumulative %	______
Cumulative target	______
Earlier payments	______
Current amount due	______

EXAMPLE

Net annual advance-tax plan ₹80,000 x 15% = ₹12,000 cumulative target by 15 June.

IN SIMPLE WORDS

June calculation uses the current annual plan.

Multiply the current net annual advance-tax plan by 15%, then subtract advance tax already paid before this milestone.

REAL EXAMPLE

See the idea with numbers

Net annual plan ₹80k × 15% = ₹12k cumulative June target. If nothing was paid earlier, ₹12k is the planned June payment.

STEP 1

Find annual plan

Net tax after credits

STEP 2

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15%, 45%, 75% or 100%

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WHAT TO DO IN SOLOLEDGER

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September: your estimate gets stronger

By now you usually have enough data to challenge the original projection.

Ask whether the first half of the year is running above or below plan. Add new clients, remove cancelled projects and update expected costs.

Then compare what should have been paid cumulatively with what has actually been paid.

IN SIMPLE WORDS

September is where your estimate becomes more useful.

By mid-September you usually have more invoices, expenses and TDS data. Rebuild the annual estimate before simply using the June forecast.

REAL EXAMPLE

See the idea with numbers

If the annual plan increases from ₹80k to ₹1.2L, the September cumulative target becomes ₹54k.

SEPTEMBER RESET

September is where the first forecast should be challenged

Compare what you expected in June with what actually happened from April to August. Remove cancelled work, add new contracts, update expenses and reconcile TDS before using the 45% milestone.

Old plan	→	Updated plan
What June assumed		What the year now looks like

WHAT TO DO IN SOLOLEDGER

Advance Tax Planner

Use the current annual tax plan, apply the cumulative milestone, then subtract what you have already paid.

September worked example

The 45% target is cumulative.

EXAMPLE

Updated annual net plan ₹1,20,000 x 45% = ₹54,000 cumulative target. Already paid ₹12,000. Current top-up = ₹42,000.

Estimate	-	Credits	=	Fund
Total tax		TDS + others		Net tax

IN SIMPLE WORDS

September is not “another 45%.”

The 45% is the total target by September. Subtract whatever you already paid toward advance tax.

REAL EXAMPLE

See the idea with numbers

Updated plan ₹1.2L × 45% = ₹54k. June payment ₹12k. September top-up = ₹42k.

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Find annual plan

Net tax after credits

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15%, 45%, 75% or 100%

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December: the major reality check

Three quarters of the regular annual plan is targeted by mid-December.

At this point most freelancers have a much clearer view of the year. If you have been under-projecting income, December is where the gap can become visible.

Update the workbook before spending year-end collections.

IN SIMPLE WORDS

December is the strongest reality check before year-end.

At this stage, most of the year is visible. Review unpaid invoices carefully: a signed project is not always the same as income already realised for your tax method.

REAL EXAMPLE

See the idea with numbers

If you expected ₹20L but projects slowed and the new estimate is ₹16L, update before calculating the 75% target.

DECEMBER REALITY CHECK

By December, use evidence - not optimism

Review	Question
Invoices	**Which projects are truly expected before 31 March?**
Expenses	**Have major year-end costs changed projected profit?**
TDS	**Are credits from major clients reconciled?**
Payments	**How much advance tax is already discharged?**

WHAT TO DO IN SOLOLEDGER

Advance Tax Planner

Use the current annual tax plan, apply the cumulative milestone, then subtract what you have already paid.

December worked example

Compare cumulative target with cumulative payments.

Annual net tax plan	______
Cumulative %	______
Cumulative target	______
Earlier payments	______
Current amount due	______

EXAMPLE

Revised net plan ₹1,60,000 x 75% = ₹1,20,000 target. Earlier advance tax paid ₹54,000. December top-up = ₹66,000.

IN SIMPLE WORDS

December uses 75% of the latest plan.

Calculate the current cumulative target, then deduct advance tax already paid. Do not deduct TDS again here if it was already removed when building the net annual plan.

REAL EXAMPLE

See the idea with numbers

Net plan ₹1.4L × 75% = ₹1.05L. If ₹63k advance tax is already paid, the December top-up is ₹42k.

STEP 1

Find annual plan

Net tax after credits

STEP 2

Apply milestone

15%, 45%, 75% or 100%

STEP 3

Subtract paid

Only fund the top-up

WHAT TO DO IN SOLOLEDGER

Advance Tax Planner

Use the current annual tax plan, apply the cumulative milestone, then subtract what you have already paid.

March: close the planning gap

The regular cumulative target reaches 100%.

March is the last regular milestone in the tax year. Update invoices, expenses, TDS and other income before relying on the final number.

A late-year project can materially change the final top-up.

IN SIMPLE WORDS

March closes the regular milestone schedule.

By 15 March the regular cumulative target reaches 100% of the current advance-tax plan. Refresh the estimate before paying the final gap.

REAL EXAMPLE

See the idea with numbers

If the final net plan is ₹1.6L and ₹1.15L has already been paid as advance tax, the planned March top-up is ₹45k.

MARCH CLOSE

Reconcile the whole year before funding the final gap

100%
latest cumulative target

- paid
advance tax already recorded

= gap
current amount still to fund

March is not the time to reuse an old September estimate. Use the latest income, expenses, TDS and other credits.

WHAT TO DO IN SOLOLEDGER

Advance Tax Planner

Use the current annual tax plan, apply the cumulative milestone, then subtract what you have already paid.

March worked example

Finish from the latest estimate, not the June estimate.

EXAMPLE

Latest net annual plan ₹1,75,000. Advance tax already paid ₹1,20,000. March top-up = ₹55,000.

Estimate	-	Credits	=	Fund
Total tax		TDS + others		Net tax

IN SIMPLE WORDS

Final payment still starts from the latest estimate.

A strong January or February can raise the tax plan. A cancellation or new expense can lower it. Use the updated number, not December's old plan.

REAL EXAMPLE

See the idea with numbers

New annual plan ₹1.5L - advance tax already paid ₹1.05L = ₹45k remaining toward the March target.

STEP 1

Find annual plan

Net tax after credits

STEP 2

Apply milestone

15%, 45%, 75% or 100%

STEP 3

Subtract paid

Only fund the top-up

WHAT TO DO IN SOLOLEDGER

Advance Tax Planner

Use the current annual tax plan, apply the cumulative milestone, then subtract what you have already paid.

What if you paid more earlier?

The next top-up can shrink.

Because the schedule is cumulative, an earlier overpayment relative to the latest plan reduces the remaining top-up.

SoloLedger calculates the current amount due as cumulative target minus payments already entered.

VIEW 1

Gross / before adjustment

1. Starting figure
2. What it tells you

VIEW 2

Net / action number

1. Adjusted figure
2. What you do next

EXAMPLE

September target ₹45,000. Already paid ₹50,000. Current amount due = ₹0.

IN SIMPLE WORDS

Earlier overpayment reduces later top-ups.

Because the percentages are cumulative, an amount paid early is not lost from the schedule. Later targets subtract what has already been paid.

REAL EXAMPLE

See the idea with numbers

If June target was ₹15k but you paid ₹25k, the next top-up can be smaller because ₹25k already counts toward the September cumulative target.

STEP 1

Find annual plan

Net tax after credits

STEP 2

Apply milestone

15%, 45%, 75% or 100%

STEP 3

Subtract paid

Only fund the top-up

WHAT TO DO IN SOLOLEDGER

Advance Tax Planner

Use the current annual tax plan, apply the cumulative milestone, then subtract what you have already paid.

Deadline cheat sheet

Keep this page beside the workbook.

15 JUN	15 SEP	15 DEC	15 MAR
15%	**45%**	**75%**	**100%**
Cumulative target	Cumulative target	Cumulative target	Cumulative target

1. 15 Jun -> 15% cumulative
2. 15 Sep -> 45% cumulative
3. 15 Dec -> 75% cumulative
4. 15 Mar -> 100% cumulative

> Always calculate from the latest annual net tax plan after credits.

IN SIMPLE WORDS

Use the deadline page as a review trigger.

A deadline should prompt you to refresh the tax estimate, not simply copy the previous quarter’s number.

REAL EXAMPLE

See the idea with numbers

Set reminders 7-10 days before each relevant date so you have time to update records and arrange cash.

STEP 1
Find annual plan
Net tax after credits

STEP 2
Apply milestone
15%, 45%, 75% or 100%

STEP 3
Subtract paid
Only fund the top-up

TDS is already part of your tax story

Client withholding can reduce the additional cash you need to fund.

When a client withholds TDS, you may receive less cash than the amount they have settled. For planning, that withheld amount belongs in the tax-credit bucket, not the spending bucket.

Income 1	→	**Tax estimate** 2	→	**Credits** 3	→	**Milestone** 4	→	**Cash action** 5

SIMPLE EXAMPLE

₹1,00,000 fee -> ₹90,000 bank cash + ₹10,000 TDS credit.

IN SIMPLE WORDS

TDS is tax already withheld, not an extra cost.

When a client withholds TDS, your bank receives less cash but the withheld amount may count as tax credit once properly reflected and available.

REAL EXAMPLE

See the idea with numbers

₹1L professional fee → ₹90k bank cash + ₹10k TDS withheld. The fee did not become ₹90k just because less cash arrived.

STEP 1

Record bank cash

What actually arrived

STEP 2

Record TDS

Tax withheld separately

STEP 3

Reconcile

Use verified credits

WHAT TO DO IN SOLOLEDGER

Income & Invoices

Record bank cash and TDS separately. The tax planner should use TDS as a credit, not as spendable cash.

Never ignore TDS in advance-tax planning

Start from tax before credits, then subtract credits.

EXAMPLE

Estimated income tax ₹1,60,000 - TDS ₹60,000 = ₹1,00,000 net tax still to fund.

Estimate	-	Credits	=	Fund
Total tax		TDS + others		Net tax

IN SIMPLE WORDS

Subtract TDS before deciding how much fresh tax cash you need.

Ignoring TDS can make you reserve or pay too much. Overestimating TDS can make you underfund. Keep it reconciled.

REAL EXAMPLE

See the idea with numbers

Estimated tax ₹1.6L - verified TDS credit ₹60k = ₹1L tax still to fund before considering other credits/payments.

STEP 1

Record bank cash

What actually arrived

STEP 2

Record TDS

Tax withheld separately

STEP 3

Reconcile

Use verified credits

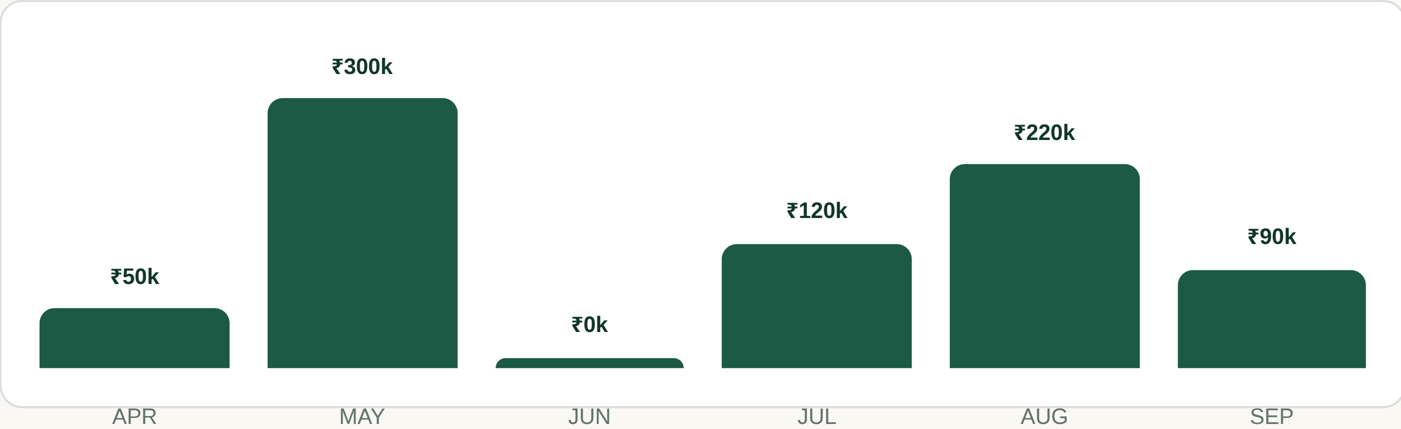
WHAT TO DO IN SOLOLEDGER

Income & Invoices

Record bank cash and TDS separately. The tax planner should use TDS as a credit, not as spendable cash.

TDS from multiple clients

Add the credits, but keep the supporting records.



THREE CLIENTS

Client A TDS ₹20,000 + Client B ₹15,000 + Client C ₹0 = ₹35,000 tracked TDS credit.

IN SIMPLE WORDS

Add TDS across clients carefully.

Some clients may deduct TDS, some may not, and rates can differ by transaction. Record actual amounts rather than assuming one percentage for every client.

REAL EXAMPLE

See the idea with numbers

Client A TDS ₹20k + Client B ₹15k + Client C ₹0 = ₹35k total recorded TDS credit.

STEP 1

Record bank cash

What actually arrived

STEP 2

Record TDS

Tax withheld separately

STEP 3

Reconcile

Use verified credits

WHAT TO DO IN SOLOLEDGER

Income & Invoices

Record bank cash and TDS separately. The tax planner should use TDS as a credit, not as spendable cash.

When a client does not deduct TDS

More cash can arrive now, but more tax may remain for you to fund yourself.

A no-TDS payment can make the bank balance feel better while increasing the cash you need to reserve for tax. That is why the reserve decision should come after the tax estimate, not before it.

> More cash received does not automatically mean more cash is safe to spend.

IN SIMPLE WORDS

No TDS means more cash today, not necessarily less tax later.

If a client pays the full invoice without withholding, you may receive more bank cash but have less tax credit available when calculating the net annual plan.

REAL EXAMPLE

See the idea with numbers

Two ₹1L fees can create different bank/TDS splits even though both add ₹1L of professional receipts.

NO TDS EXAMPLE

More cash in the bank can mean more tax still to self-fund

₹1,00,000 professional fee	**₹0** TDS credit	**₹1,00,000** bank cash before GST effects

The bank balance looks stronger, but no client withholding has reduced your tax obligation. Reserve decisions should happen after the annual estimate.

WHAT TO DO IN SOLOLEDGER

Income & Invoices

Record bank cash and TDS separately. The tax planner should use TDS as a credit, not as spendable cash.

The common recording mistake

Do not shrink the professional fee just because cash after TDS was lower.

If the professional fee was ₹1,00,000 and the client remitted ₹90,000 after ₹10,000 TDS, recording revenue as ₹90,000 can distort your reports.

Record the components separately so the settlement reconciles.

VIEW 1

Gross / before adjustment

1. Starting figure
2. What it tells you

VIEW 2

Net / action number

1. Adjusted figure
2. What you do next

RECONCILIATION

₹90,000 cash + ₹10,000 TDS = ₹1,00,000 fee settled.

IN SIMPLE WORDS

Do not record net bank cash as the professional fee.

This is one of the easiest ways to understate receipts when TDS is involved. Keep the fee, GST, bank cash and TDS in separate fields.

REAL EXAMPLE

See the idea with numbers

₹1L fee with ₹10k TDS: bank cash ₹90k; professional receipt/settlement value still relates to ₹1L fee.

STEP 1

Record bank cash

What actually arrived

STEP 2

Record TDS

Tax withheld separately

STEP 3

Reconcile

Use verified credits

WHAT TO DO IN SOLOLEDGER

Income & Invoices

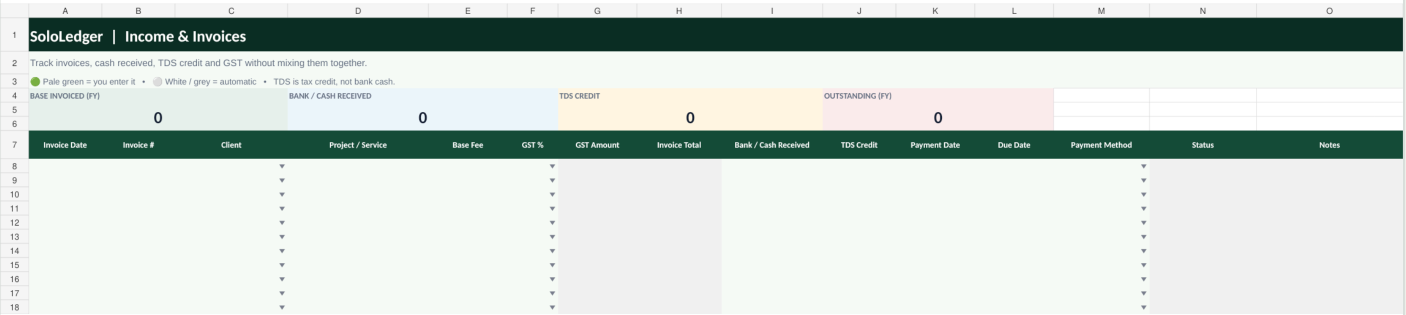
Record bank cash and TDS separately. The tax planner should use TDS as a credit, not as spendable cash.

See the separation inside SoloLedger

This is why the Income & Invoices sheet has separate fields.

Bank / Cash Received records actual money. TDS Credit records the amount withheld. The calculation engine uses both without pretending they are the same thing.

REAL SOLOLEDGER WORKBOOK



IN SIMPLE WORDS

Use the screenshot as a map.

The Income & Invoices sheet is designed to preserve the separation between what hit your bank and what was withheld as TDS.

REAL EXAMPLE

See the idea with numbers

When a payment arrives, update Bank/Cash Received, TDS Credit and Payment Date together so downstream reports stay consistent.

STEP 1

Record bank cash

What actually arrived

STEP 2

Record TDS

Tax withheld separately

STEP 3

Reconcile

Use verified credits

WHAT TO DO IN SOLOLEDGER

Income & Invoices

Record bank cash and TDS separately. The tax planner should use TDS as a credit, not as spendable cash.

Tax before credits vs tax after credits

Both numbers matter, but they answer different questions.

VIEW 1

Gross / before adjustment

1. Tax before credits -> estimated total liability
2. TDS / eligible credits -> amounts already covered

VIEW 2

Net / action number

1. Net tax to fund -> remaining cash responsibility
2. Advance tax paid -> how much of that remaining responsibility is already discharged

IN SIMPLE WORDS

Think in two layers: tax estimate and remaining cash requirement.

The first tells you the current estimated annual tax. The second reduces that estimate for credits and advance tax already paid.

REAL EXAMPLE

See the idea with numbers

Estimated tax ₹2L is not the same as “pay ₹2L now” if ₹80k TDS and ₹40k advance tax are already accounted for.

STEP 1

Record bank cash

What actually arrived

STEP 2

Record TDS

Tax withheld separately

STEP 3

Reconcile

Use verified credits

WHAT TO DO IN SOLOLEDGER

Income & Invoices

Record bank cash and TDS separately. The tax planner should use TDS as a credit, not as spendable cash.

Other eligible tax credits

Keep them separate from TDS.

SoloLedger includes a manual field for other eligible tax credits. Use it only for amounts you have a reasonable basis to include.

If your situation is complex, use the manual tax-estimate mode and verify the figure with a professional.

IN SIMPLE WORDS

Other credits should be real, not hopeful.

Only include credits you reasonably expect to be available. If you are unsure, use a manual estimate or confirm the treatment.

REAL EXAMPLE

See the idea with numbers

A credit entered by mistake lowers the planner result, so an unsupported ₹20k credit can create a ₹20k cash shortfall later.

CREDIT CHECK

Only subtract credits you can support

Credit type	Planning treatment
TDS tracked from clients	**Reconcile before relying on it**
Other eligible credit	**Use only when genuinely available**
Unknown / expected amount	**Do not reduce the tax plan yet**

WHAT TO DO IN SOLOLEDGER

Income & Invoices

Record bank cash and TDS separately. The tax planner should use TDS as a credit, not as spendable cash.

Reconcile your credits

Do not rely only on memory or client messages.

Keep TDS documentation and reconcile against the tax information available to you. If a client says tax was withheld but the credit is not reflected correctly, that is a follow-up issue.

The workbook is a tracker; it cannot verify government-side credit availability for you.

1. Keep client certificate / statement
2. Match invoice and payment
3. Review credit records
4. Flag missing items

IN SIMPLE WORDS

Reconcile before a due date.

Client emails or payslips are useful records, but the tax credit you rely on should be checked against the appropriate tax information available to you.

REAL EXAMPLE

See the idea with numbers

If SoloLedger shows ₹50k TDS but your records show only ₹42k available, investigate the ₹8k difference before relying on it.

STEP 1

Record bank cash

What actually arrived

STEP 2

Record TDS

Tax withheld separately

STEP 3

Reconcile

Use verified credits

WHAT TO DO IN SOLOLEDGER

Income & Invoices

Record bank cash and TDS separately. The tax planner should use TDS as a credit, not as spendable cash.

TDS case study

Three clients, one advance-tax plan.

REAL-WORLD SCENARIO

Follow the numbers, then focus on the decision.

Arjun estimates total tax of ₹1,80,000. Client A has withheld ₹25,000, Client B ₹15,000 and Client C nothing. Other eligible credits are ₹5,000.

Net tax still to fund = ₹1,80,000 - ₹40,000 TDS - ₹5,000 other credits = ₹1,35,000.

RESULT

Regular schedule targets are then calculated from ₹1,35,000, not from ₹1,80,000.

IN SIMPLE WORDS

Multiple clients make the system valuable.

The point is not to remember each deduction mentally. Record each settlement and let the total TDS feed the estimate.

REAL EXAMPLE

See the idea with numbers

Three clients may produce ₹4L receipts, ₹3.55L bank cash and ₹45k TDS. All three numbers matter for different decisions.

STEP 1

Record bank cash

What actually arrived

STEP 2

Record TDS

Tax withheld separately

STEP 3

Reconcile

Use verified credits

WHAT TO DO IN SOLOLEDGER

Income & Invoices

Record bank cash and TDS separately. The tax planner should use TDS as a credit, not as spendable cash.

How the Advance Tax Planner uses TDS

The workbook performs the credit step before building milestones.

Estimated tax flows in from Tax Estimate Helper. TDS and other credits are netted. The remaining amount becomes the base for the advance-tax schedule.

REAL SOLOLEDGER WORKBOOK

SoloLedger | Advance Tax Planner

Plan the net advance-tax amount after TDS and other eligible tax credits.

The annual tax estimate now comes from Tax Estimate Helper by default. TDS and Other Tax Credits are then netted before the advance-tax schedule.

Planning Mode: Regular

EST. TAX BEFORE CREDITS	TDS CREDIT	OTHER TAX CREDITS	NET ADVANCE-TAX PLAN
0	0	0	0

Instalment	Due Date	Cumulative Target %	Cumulative Target	Current Amount Due	Amount Paid	Status	Notes
1st Instalment	15-Jun-2026	15%	0	0		Not Required	
2nd Instalment	15-Sep-2026	45%	0	0		Not Required	
3rd Instalment	15-Dec-2026	75%	0	0		Not Required	
Final Instalment	15-Mar-2027	100%	0	0		Not Required	

IMPORTANT

SoloLedger uses the official advance-tax planning pattern as a reminder tool. For Tax Year 2026–27, the Income Tax Act, 2025 applies. A net advance-tax planning liability below ₹10,000 is shown as zero here. Presumptive-tax users are shown a single 100% target by 15 March. Confirm your actual liability, exceptions and interest position before payment.

IN SIMPLE WORDS

The planner should receive net tax after credits.

The annual estimate comes from Tax Estimate Helper. TDS and other credits reduce the amount that needs to be scheduled as advance tax.

REAL EXAMPLE

See the idea with numbers

If total tax is ₹1.4L and TDS is ₹40k, the advance-tax schedule should plan from roughly ₹1L, not ₹1.4L.

STEP 1

Record bank cash

What actually arrived

STEP 2

Record TDS

Tax withheld separately

STEP 3

Reconcile

Use verified credits

WHAT TO DO IN SOLOLEDGER

Income & Invoices

Record bank cash and TDS separately. The tax planner should use TDS as a credit, not as spendable cash.

TDS action checklist

Run this before every quarterly tax review.

1. Update client payments
2. Enter TDS separately
3. Check payment dates
4. Review TDS records
5. Confirm other credits
6. Re-open Tax Estimate Helper
7. Check Advance Tax Planner

IN SIMPLE WORDS

Before every milestone, do one TDS check.

Make sure new client deductions are entered, old entries are not duplicated, and any large mismatch is investigated.

REAL EXAMPLE

See the idea with numbers

A five-minute reconciliation can prevent a much larger planning error in the next payment amount.

STEP 1
Record bank cash
What actually arrived

STEP 2
Record TDS
Tax withheld separately

STEP 3
Reconcile
Use verified credits

Start with an income projection

Advance tax is only as useful as the annual estimate feeding it.

For regular-books planning, SoloLedger projects professional receipts and net business cost to estimate business income. You can also choose a custom annual business-income estimate.

Do not confuse turnover, bank cash and taxable income.

IN SIMPLE WORDS

Start with a realistic income base.

Tax planning becomes unreliable if the annual income projection is unrealistic. Use current records plus known future work, not wishful targets.

REAL EXAMPLE

See the idea with numbers

If ₹7L is already earned and ₹5L of contracted work remains, a ₹12L annual base may be more grounded than annualising one unusually strong month.

PROJECTION CHOICE

Pick the method that matches what you actually know

YTD	Annualise	Custom
use actual year-to-date numbers	extend a representative YTD pattern	use known contracts and pipeline

WHAT TO DO IN SOLOLEDGER

Tax Estimate Helper

Update the income projection, review other income and credits, then check whether Auto or Manual mode is appropriate.

Regular Books estimate

Projected receipts minus projected net business costs.

EXAMPLE

Projected professional receipts ₹18,00,000 - projected net business costs ₹4,00,000 = ₹14,00,000 business-income base before other income.

Estimate	-	Credits	=	Fund
Total tax		TDS + others		Net tax

IN SIMPLE WORDS

Regular Books uses estimated business profit.

For planning, professional receipts and net business costs are used to estimate business income. Keep expenses current so the profit estimate is meaningful.

REAL EXAMPLE

See the idea with numbers

Projected professional receipts ₹18L - projected net business costs ₹5L = ₹13L estimated business-income base.

STEP 1

Project income

Include known changes

STEP 2

Estimate tax

Use supported method

STEP 3

Subtract credits

Find tax still to fund

WHAT TO DO IN SOLOLEDGER

Tax Estimate Helper

Update the income projection, review other income and credits, then check whether Auto or Manual mode is appropriate.

Presumptive 50% scenario

This is a comparison mode, not an automatic recommendation.

For eligible professional presumptive situations, SoloLedger can compare a 50% income-base scenario with regular books. Eligibility and all statutory conditions still need to be checked separately.

VIEW 1

Gross / before adjustment

1. Starting figure
2. What it tells you

VIEW 2

Net / action number

1. Adjusted figure
2. What you do next

EXAMPLE

Projected professional receipts ₹20L -> 50% comparison income base ₹10L.

IN SIMPLE WORDS

The 50% presumptive scenario is a comparison, not permission.

The workbook can show what a 50% income base looks like, but eligibility depends on profession and statutory conditions.

REAL EXAMPLE

See the idea with numbers

Projected professional receipts ₹20L → 50% scenario = ₹10L income base. Compare it with Regular Books, then confirm eligibility separately.

STEP 1

Project income

Include known changes

STEP 2

Estimate tax

Use supported method

STEP 3

Subtract credits

Find tax still to fund

WHAT TO DO IN SOLOLEDGER

Tax Estimate Helper

Update the income projection, review other income and credits, then check whether Auto or Manual mode is appropriate.

Other income can change the answer

Freelance business income may not be your only normal-rate income.

1. Salary
2. Interest
3. Rent
4. Other professional / business income
5. Other normal-rate taxable income

> If you have special-rate income, use Manual mode instead of pretending one simplified engine covers everything.

IN SIMPLE WORDS

Your freelance business may not be your only income.

Interest, salary, rent and other normal-rate income can change the tax estimate even if freelance receipts stay the same.

REAL EXAMPLE

See the idea with numbers

Business income estimate ₹10L + interest ₹1L + other normal-rate income ₹2L = ₹13L before considering other applicable adjustments.

COMBINED INCOME VIEW

Advance tax is an annual-person view, not only a freelancer-invoice view

Possible component	Why review it
Freelance business income	**Main SoloLedger estimate**
Salary / interest / rent	**May change normal-rate taxable income**
Special-rate income	**Can require Manual mode / professional review**

WHAT TO DO IN SOLOLEDGER

Tax Estimate Helper

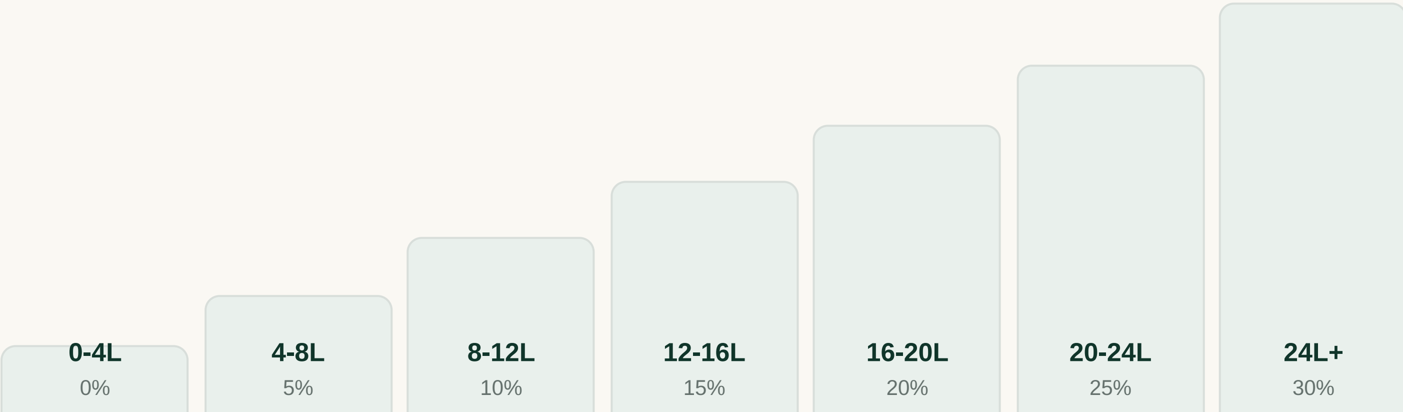
Update the income projection, review other income and credits, then check whether Auto or Manual mode is appropriate.

Tax slab refresher

You only need enough slab knowledge to understand the estimate feeding advance tax.

SoloLedger Tax Estimate Helper supports the current 2026-27 normal-rate new-regime slab structure for its simplified planning mode.

It is intentionally not a complete return calculator.



IN SIMPLE WORDS

A tax slab applies only to the slice inside that band.

Do not multiply your whole taxable income by the highest rate you reach. The helper calculates band by band.

REAL EXAMPLE

See the idea with numbers

If taxable income reaches a higher band, only the amount inside that band uses that higher rate.

STEP 1

Project income

Include known changes

STEP 2

Estimate tax

Use supported method

STEP 3

Subtract credits

Find tax still to fund

Source / reference: Official rates: Union Budget / Income Tax Department references are listed on page 100.

Rebate awareness

A low tax estimate can be correct even when freelance receipts are higher than you expected.

For an eligible resident individual, the rebate rule relates to normal-rate taxable income, not automatically to gross freelance turnover.

That distinction matters because expenses and other income change the taxable-income picture.

> Never market “₹12L freelance revenue = zero tax.” That shortcut is wrong.

IN SIMPLE WORDS

The rebate test is about eligible taxable income, not freelance turnover.

A freelancer can have ₹12L of receipts and a different taxable-income figure after the applicable method and other income are considered.

REAL EXAMPLE

See the idea with numbers

Do not market or interpret “₹12L receipts = zero tax.” First determine the relevant taxable-income base.

DO NOT MIX THESE NUMBERS

₹12 lakh of receipts is not automatically ₹12 lakh of taxable income

Gross receipts
what the business billed / earned

≠

Taxable income
the figure used for the rebate test after applicable computation

WHAT TO DO IN SOLOLEDGER

Tax Estimate Helper

Update the income projection, review other income and credits, then check whether Auto or Manual mode is appropriate.

Cess refresher

The helper adds Health & Education Cess after tax / relief in its supported scenario.

For the simplified 2026-27 normal-rate estimate, SoloLedger applies 4% cess after the calculated tax and eligible rebate / marginal relief logic.

ILLUSTRATION

Tax after relief ₹1,20,000 -> 4% cess ₹4,800 -> total ₹1,24,800.

Estimate
Total tax

-

Credits
TDS + others

=

Fund
Net tax

IN SIMPLE WORDS

Cess is added after the income-tax calculation.

The helper includes the supported cess calculation in its estimate. That is why the final estimate can be slightly higher than the slab-tax number alone.

REAL EXAMPLE

See the idea with numbers

Illustrative slab tax ₹1,20,000 → 4% cess ₹4,800 → ₹1,24,800 total before credits.

STEP 1
Project income
Include known changes

STEP 2
Estimate tax
Use supported method

STEP 3
Subtract credits
Find tax still to fund

WHAT TO DO IN SOLOLEDGER

Tax Estimate Helper

Update the income projection, review other income and credits, then check whether Auto or Manual mode is appropriate.

Why the helper has Manual mode

A safe product knows what it does not know.

1. Capital gains
2. Crypto / VDA income
3. Lottery / special-rate income
4. Surcharge cases
5. Complex deductions / adjustments
6. Other situations requiring professional judgement

> When any excluded item matters, use your CA / professional estimate instead of the automatic slab helper.

IN SIMPLE WORDS

Manual mode is a safety feature.

Some situations need calculations the workbook intentionally does not automate, such as special-rate income or higher-income surcharge complexity.

REAL EXAMPLE

See the idea with numbers

If you have substantial capital gains or crypto/VDA income, use a professional estimate rather than forcing those amounts through the normal-rate helper.

AUTO OR MANUAL?

Use Manual mode when a simplified slab helper would hide important complexity

1. Capital gains, crypto/VDA or other special-rate income
2. Surcharge / higher-income complexity or unusual adjustments
3. Your CA has provided a more appropriate annual tax estimate

WHAT TO DO IN SOLOLEDGER

Tax Estimate Helper

Update the income projection, review other income and credits, then check whether Auto or Manual mode is appropriate.

Build the estimate step by step

Do not jump from revenue straight to the advance-tax dates.

Project business income → add other normal-rate income → estimate tax → apply relevant relief / cess → subtract TDS / credits → build advance-tax plan.

Sequence: Project business income -> add other normal-rate income -> estimate tax -> apply relevant relief / cess -> subtract TDS / credits -> build advance-tax plan.

IN SIMPLE WORDS

Build the estimate in the same order every time.

Project income → choose business-income method → add other relevant normal-rate income → estimate tax → subtract credits.

REAL EXAMPLE

See the idea with numbers

Following one order makes it easier to spot where a surprising result came from.

STEP 1

Project income

Include known changes

STEP 2

Estimate tax

Use supported method

STEP 3

Subtract credits

Find tax still to fund

WHAT TO DO IN SOLOLEDGER

Tax Estimate Helper

Update the income projection, review other income and credits, then check whether Auto or Manual mode is appropriate.

Should you add a safety margin?

A tax calculation and a cash-reserve decision are not exactly the same thing.

Some freelancers prefer to keep a small extra cash cushion because income estimates can rise later. That is a personal cash-planning choice, not a universal tax percentage.

Do not confuse a safety buffer with the legal tax amount.

IN SIMPLE WORDS

A cash safety buffer is different from overstating tax.

You can keep slightly more cash aside if your income is uncertain, but the planner should still show the best tax estimate separately.

REAL EXAMPLE

See the idea with numbers

Estimated tax reserve ₹80k; you personally choose to keep ₹90k cash aside. Record the extra as your own buffer, not as “tax due.”

CASH BUFFER VS TAX CALCULATION

A personal safety buffer is a cash-management choice, not a new tax rule

Tax estimate
based on tax rules and current inputs

+

Optional buffer
extra cash you choose to keep for uncertainty

WHAT TO DO IN SOLOLEDGER

Tax Estimate Helper

Update the income projection, review other income and credits, then check whether Auto or Manual mode is appropriate.

Tax estimate checklist

Before you rely on the number, check the inputs.

1. Correct tax year
2. Projection method makes sense
3. Business costs are updated
4. Other income included
5. TDS entered
6. Special-rate income considered
7. Manual mode used when needed

IN SIMPLE WORDS

Use the checklist before relying on the result.

A correct formula cannot rescue missing invoices, missing TDS or an unrealistic income projection.

REAL EXAMPLE

See the idea with numbers

If one major client payment is absent, fix the input first instead of adjusting the output manually.

STEP 1

Project income

Include known changes

STEP 2

Estimate tax

Use supported method

STEP 3

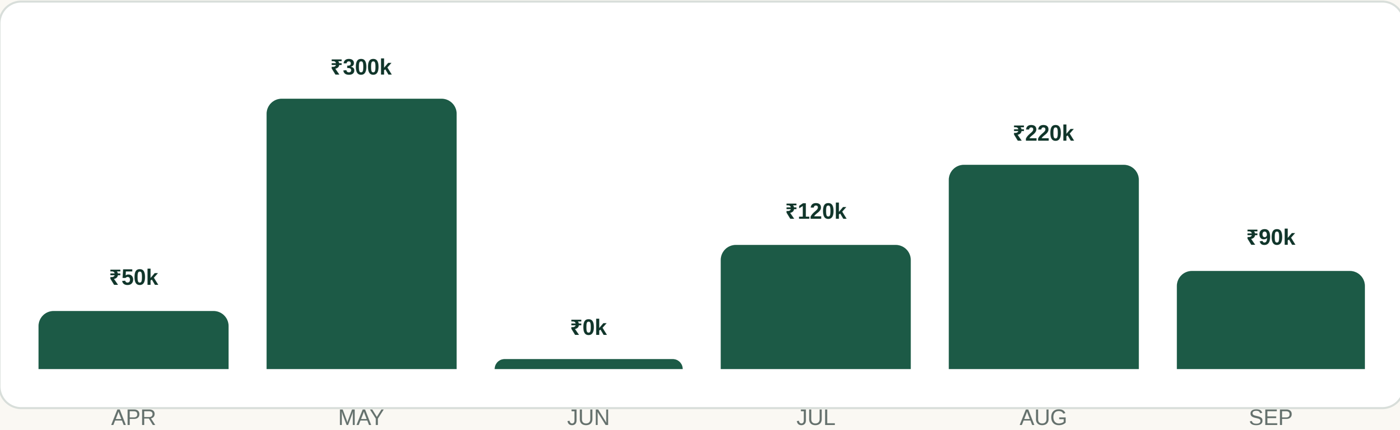
Subtract credits

Find tax still to fund

Freelance income is not stable

Your plan should move when your business moves.

A new retainer, a cancelled project or a delayed client payment can change the annual outlook. The solution is not to guess less often; it is to update the estimate after meaningful changes.



IN SIMPLE WORDS

Changing income is normal for freelancers.

The planner is designed to move as your year changes. Treat a new estimate as updated information, not as a mistake.

REAL EXAMPLE

See the idea with numbers

A quiet first quarter and a strong third quarter can produce very different tax plans at June and December.

STEP 1

Update change

Client, cost or TDS

STEP 2

Refresh estimate

Do not keep old assumptions

STEP 3

Check next target

Adjust reserve/payment

WHAT TO DO IN SOLOLEDGER

Tax Estimate Helper

When income changes, update the projection first. Do not manually force the old advance-tax number to stay the same.

You land a big new client

A higher projection can increase the next cumulative target.

REAL-WORLD SCENARIO

Follow the numbers, then focus on the decision.

SCENARIO

Original receipts projection ₹12L. New signed project adds ₹8L. Update Custom Annual or let the YTD projection reflect the new pattern, then review tax + advance-tax outputs.

IN SIMPLE WORDS

A new client changes more than revenue.

A big project can also create new expenses, TDS, GST and timing differences. Update all related assumptions before reviewing advance tax.

REAL EXAMPLE

See the idea with numbers

New ₹6L project + ₹1L contractor cost + expected TDS should be reflected together, not as a simple +₹6L income increase.

STEP 1

Update change

Client, cost or TDS

STEP 2

Refresh estimate

Do not keep old assumptions

STEP 3

Check next target

Adjust reserve/payment

WHAT TO DO IN SOLOLEDGER

Tax Estimate Helper

When income changes, update the projection first. Do not manually force the old advance-tax number to stay the same.

A project gets cancelled

A lower projection can reduce later top-ups.

Remove income you no longer reasonably expect. Do not keep funding tax for a project that clearly disappeared from the year.

But distinguish “cancelled” from merely “payment delayed.”

IN SIMPLE WORDS

A cancelled project should come out of the forecast.

Do not keep paying from an income estimate you no longer expect, but also do not reduce the plan without checking what has already been earned.

REAL EXAMPLE

See the idea with numbers

If a ₹4L project disappears before work begins, reduce the custom annual projection and recalculate the next cumulative target.

CANCELLED PROJECT

Remove income you no longer reasonably expect

₹18L old projected receipts	**- ₹4L** cancelled contract	**₹14L** new starting projection

Then refresh costs, TDS and the tax estimate. Do not continue funding tax for income that is no longer expected.

WHAT TO DO IN SOLOLEDGER

Tax Estimate Helper

When income changes, update the projection first. Do not manually force the old advance-tax number to stay the same.

A major expense appears

Regular-books profit can move even if receipts do not.

A subcontractor, equipment purchase or other significant business cost may change the regular-books income estimate. Some costs need special treatment, so do not blindly assume every cash outflow reduces taxable income immediately.

> Use the Expense & Deduction Playbook for record-keeping, and professional advice for uncertain tax treatment.

IN SIMPLE WORDS

A major business cost can change Regular Books profit.

A genuine business cost affects the projected profit base differently from a personal purchase. Keep classification and documentation clean.

REAL EXAMPLE

See the idea with numbers

Projected receipts ₹18L; a new ₹2L business cost could reduce the regular-books profit estimate if the treatment is appropriate.

BIG COST, DIFFERENT PROFIT

A genuine business cost can change a regular-books profit estimate

₹20L	**- ₹5L**	**₹15L**
projected receipts	projected net business costs	regular-books business-income base

If a major eligible cost appears, update the expense projection before recalculating tax. The accounting/tax treatment of large assets may need professional review.

WHAT TO DO IN SOLOLEDGER

Tax Estimate Helper

When income changes, update the projection first. Do not manually force the old advance-tax number to stay the same.

PAGE 58

TDS suddenly increases

More verified tax credit can reduce the remaining advance-tax cash burden.

EXAMPLE

Tax estimate unchanged at ₹1.5L. Expected TDS rises from ₹30k to ₹60k. Net amount to fund falls by ₹30k.

Estimate	-	Credits	=	Fund
Total tax		TDS + others		Net tax

IN SIMPLE WORDS

More TDS can reduce the cash still to fund.

If a client begins withholding TDS, bank cash may fall while tax credit rises. The planner should reflect both movements.

REAL EXAMPLE

See the idea with numbers

Tax estimate unchanged at ₹1.5L; TDS rises from ₹20k to ₹50k → fresh tax cash requirement can fall by ₹30k.

STEP 1

Update change

Client, cost or TDS

STEP 2

Refresh estimate

Do not keep old assumptions

STEP 3

Check next target

Adjust reserve/payment

WHAT TO DO IN SOLOLEDGER

Tax Estimate Helper

When income changes, update the projection first. Do not manually force the old advance-tax number to stay the same.

Re-estimate, do not panic

Use the same four-step loop every time facts change.

UPDATE records → RECALCULATE estimate → COMPARE next target → PREPARE the cash.

The loop: UPDATE records -> RECALCULATE estimate -> COMPARE next target -> PREPARE the cash.

IN SIMPLE WORDS

Re-estimate in order.

First update transactions, then refresh the annual projection, then check tax credits, then review the next milestone.

REAL EXAMPLE

See the idea with numbers

Changing only the milestone amount without updating the annual estimate hides the real reason the plan moved.

STEP 1
Update change
Client, cost or TDS

STEP 2
Refresh estimate
Do not keep old assumptions

STEP 3
Check next target
Adjust reserve/payment

WHAT TO DO IN SOLOLEDGER

Tax Estimate Helper

When income changes, update the projection first. Do not manually force the old advance-tax number to stay the same.

What happens to earlier instalments?

The cumulative structure naturally catches up.

If the annual estimate rises, later milestones can require larger top-ups. If the estimate falls, later top-ups can shrink.

Earlier payments stay recorded; you do not erase history just because the forecast changed.

IN SIMPLE WORDS

Earlier payments are not recalculated away.

The planner compares the latest cumulative target with what you have already paid. If the estimate falls, the next top-up may shrink or become zero.

REAL EXAMPLE

See the idea with numbers

New cumulative target ₹70k, already paid ₹75k → current top-up can be ₹0 in the simplified planning view.

EARLIER PAYMENTS STAY IN THE LEDGER

A later target is always compared with what you have already paid

Item	Example
New cumulative target	**₹75,000**
Advance tax already paid	**₹50,000**
Current top-up	**₹25,000**

WHAT TO DO IN SOLOLEDGER

Tax Estimate Helper

When income changes, update the projection first. Do not manually force the old advance-tax number to stay the same.

Income-change decision tree

A one-page decision path.

- Did projected annual income materially change?
- Did expected business cost change?
- Did TDS / credits change?
- Did the tax method change?
- If yes -> update Tax Estimate Helper
- Then -> review Advance Tax Planner

IN SIMPLE WORDS

Use the decision tree whenever the year changes.

Ask: Did receipts change? Did costs change? Did other income change? Did TDS/credits change? Then refresh the estimate.

REAL EXAMPLE

See the idea with numbers

One event can affect several inputs. Work through them before deciding whether to move cash.

STEP 1

Update change

Client, cost or TDS

STEP 2

Refresh estimate

Do not keep old assumptions

STEP 3

Check next target

Adjust reserve/payment

Regular vs presumptive timing

The payment pattern is different.

Income Tax Department guidance for Tax Year 2026-27 says taxpayers using the Section 58 presumptive scheme discharge the entire advance-tax liability in a single instalment on or before 15 March.

VIEW 1

Gross / before adjustment

1. Regular planning -> Jun / Sep / Dec / Mar cumulative milestones

VIEW 2

Net / action number

1. Section 58 presumptive planning -> 100% by 15 March

IN SIMPLE WORDS

Regular and presumptive timing are different.

Regular advance-tax planning uses multiple cumulative milestones. The professional presumptive scheme has a different timing pattern when it applies.

REAL EXAMPLE

See the idea with numbers

Do not use the single March pattern simply because it is easier; use it only when the relevant presumptive scheme applies.

TIMING COMPARISON

Regular and presumptive planning use different payment calendars

Regular	Regular	Regular	Both paths
Jun 15%	Sep 45%	Dec 75%	Mar 100% / presumptive full payment

Source / reference: Income Tax Department Tax Payments FAQ: https://www.incometax.gov.in/iec/foportal/help/all-topics/e-filing-services/tax-payments-faq

Legacy 44ADA -> Section 58

Use current terminology without making the buyer relearn the whole law.

For Tax Year 2026-27 under the Income Tax Act, 2025, the old presumptive schemes are consolidated under Section 58. SoloLedger keeps “legacy 44ADA” in explanatory wording because many users still recognise it.

The workbook treats this as a planning scenario, not an eligibility verdict.

IN SIMPLE WORDS

The law changed the section label, not the need to understand the method.

For 2026-27 the guide uses Section 58 with “legacy 44ADA” as a bridge for people familiar with the old terminology.

REAL EXAMPLE

See the idea with numbers

If another article says 44ADA, do not assume the article is current for every 2026-27 procedural reference.

TERMINOLOGY MAP

Keep the familiar label for learning, but use the current law reference

Legacy language
44ADA - familiar professional presumptive reference

→

Current Act
Section 58 presumptive scheme

WHAT TO DO IN SOLOLEDGER

Presumptive Planner

Use the 50% scenario only as a planning comparison and only if the professional presumptive rules may apply to you.

The 50% scenario refresher

A planning income base can be simpler than detailed regular-books profit.

ILLUSTRATION

Professional receipts ₹20,00,000 -> 50% presumptive planning base ₹10,00,000.

Estimate	-	Credits	=	Fund
Total tax		TDS + others		Net tax

IN SIMPLE WORDS

50% is an income-base shortcut in the scenario.

It does not mean “pay 50% tax” and it does not mean “50% of every invoice disappears.” It is a presumptive-income basis for eligible cases.

REAL EXAMPLE

See the idea with numbers

Professional receipts ₹20L → 50% scenario income base ₹10L, before applying the tax calculation and credits.

STEP 1
Check method
Is presumptive relevant?

STEP 2
Estimate tax
50% is only the income base

STEP 3
Build cash
Reserve before March

WHAT TO DO IN SOLOLEDGER

Presumptive Planner

Use the 50% scenario only as a planning comparison and only if the professional presumptive rules may apply to you.

Presumptive advance-tax example

Build the March number from the tax estimate after credits.

REAL-WORLD SCENARIO

Follow the numbers, then focus on the decision.

Suppose an eligible professional has a presumptive planning income base that produces estimated tax of ₹80,000. TDS credit is ₹25,000.

Net tax still to fund = ₹55,000. In the simplified presumptive planner, the full ₹55,000 is targeted by 15 March.

IN SIMPLE WORDS

Presumptive taxpayers still need an annual tax estimate.

The payment timing can differ, but you still need to estimate tax from the relevant income base and account for TDS/credits.

REAL EXAMPLE

See the idea with numbers

Presumptive income base ₹10L does not directly equal the cash payment. Tax slabs and credits still come afterward.

STEP 1

Check method

Is presumptive relevant?

STEP 2

Estimate tax

50% is only the income base

STEP 3

Build cash

Reserve before March

WHAT TO DO IN SOLOLEDGER

Presumptive Planner

Use the 50% scenario only as a planning comparison and only if the professional presumptive rules may apply to you.

One payment date does not mean “ignore tax all year”

The cash should still be built gradually.

If your whole advance-tax payment is due in March, waiting until March to save the money is still poor cash management.

Reserve money after payments throughout the year so the March payment is already funded.

> Payment timing and saving timing are different decisions.

IN SIMPLE WORDS

One March payment date does not mean one March saving date.

If you wait until March to create the cash, the payment can feel painful. Build a reserve during the year even if the statutory payment timing is later.

REAL EXAMPLE

See the idea with numbers

Reserve ₹15k each month for eight months and you already have ₹1.2L available before March.

SAVE MONTHLY, PAY WHEN DUE

A single statutory payment date does not mean a single cash-planning day

Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar
start reserve	review income	refresh estimate	finalise and pay

WHAT TO DO IN SOLOLEDGER

Presumptive Planner

Use the 50% scenario only as a planning comparison and only if the professional presumptive rules may apply to you.

Monthly reserve -> March payment

Turn a large annual number into a routine.

15 JUN	15 SEP	15 DEC	15 MAR
15%	**45%**	**75%**	**100%**
Cumulative target	Cumulative target	Cumulative target	Cumulative target

1. Apr-Jun: build reserve
2. Jul-Sep: update projection
3. Oct-Dec: keep reserve aligned
4. Jan-Feb: finalise estimate
5. 15 Mar: pay planned advance tax

IN SIMPLE WORDS

Separate saving from paying.

Monthly reserve is your cash-management habit. The March deadline is the tax-payment event. They solve different problems.

REAL EXAMPLE

See the idea with numbers

Apr-Feb: move money into a tax bucket. March: use the accumulated bucket for the actual payment.

STEP 1

Check method

Is presumptive relevant?

STEP 2

Estimate tax

50% is only the income base

STEP 3

Build cash

Reserve before March

Use SoloLedger in Presumptive mode

Switch the planner mode, then keep the monthly reserve habit.

The Professional Presumptive Planner compares the income base. The Advance Tax Planner can then use Presumptive mode for the single March milestone.

REAL SOLOLEDGER WORKBOOK

	A	B	C	D	E	F	G	H
1	SoloLedger | Professional Presumptive Planner							
2	Section 58 planning view (legacy 44ADA reference). Use Tax Estimate Helper to estimate tax after choosing Regular Books or Presumptive 50%.							
3	This page is a basic scenario check, not an eligibility verdict. Cash-receipt percentage is estimated from invoices marked with Payment Method = Cash.							
4								
5	Check	Value	Meaning		INCOME-BASE COMPARISON			
6	Professional Receipts	0	Tracked receipts excluding GST		Metric	Regular books scenario	Presumptive scenario	
7	Cash Professional Receipts	0	Professional receipts from invoices marked Cash		Professional Receipts	0	0	
8	Cash Receipt %	0.0%	Used only for enhanced-limit planning		Net Business Cost	0	Deemed included	
9	Planning Receipt Limit	7500000	₹75L if cash receipt test is met; otherwise ₹50L		Income Base	0	0	
10	Basic Limit Check	Within receipt-limit scenario	High-level scenario only		Difference in income base	0		
11								
12								
13	READ THIS BEFORE USING THE RESULT							
14	For Tax Year 2026–27, the Income Tax Act, 2025 consolidates the old presumptive schemes into Section 58. The familiar professional presumptive concepts are shown here for planning clarity: ₹50 lakh standard receipt limit, ₹75 lakh enhanced limit where the cash-receipt condition is met, and a 50% presumptive income basis. Actual profession eligibility and all statutory conditions must be verified separately.							
15								
16								
17								
18								
19								

IN SIMPLE WORDS

Use the Presumptive Planner as a scenario page.

It helps compare the income bases and basic limit conditions. It should not be read as a legal eligibility certificate.

REAL EXAMPLE

See the idea with numbers

If the planner says “within receipt-limit scenario,” still confirm whether your profession and all other conditions fit.

STEP 1

Check method

Is presumptive relevant?

STEP 2

Estimate tax

50% is only the income base

STEP 3

Build cash

Reserve before March

WHAT TO DO IN SOLOLEDGER

Presumptive Planner

Use the 50% scenario only as a planning comparison and only if the professional presumptive rules may apply to you.

Presumptive checklist

Do not use the simpler timing without checking the underlying situation.

1. Confirm professional eligibility
2. Check receipt limits / conditions
3. Review cash-receipt condition where relevant
4. Estimate tax
5. Subtract TDS / credits
6. Reserve monthly
7. Review 15 March target

IN SIMPLE WORDS

Presumptive checklist = eligibility + estimate + reserve + payment.

Do not skip straight to the March date. Make sure the method is appropriate, estimate the tax, keep cash aside, then record the payment.

REAL EXAMPLE

See the idea with numbers

A clean monthly reserve makes the single March payment much easier to manage.

STEP 1
Check method
Is presumptive relevant?

STEP 2
Estimate tax
50% is only the income base

STEP 3
Build cash
Reserve before March

What if you miss a deadline?

Do not hide from the workbook because the date passed.

Update the numbers first. A missed or short instalment can have interest consequences, so the practical priority is to understand the current shortfall and act promptly.

SoloLedger does not attempt to replace the statutory interest calculation for every situation.

IN SIMPLE WORDS

Missing a date is a problem to solve, not a reason to ignore the workbook.

Update the latest estimate first. Then identify how much should have been paid, how much was actually paid, and what shortfall remains.

REAL EXAMPLE

See the idea with numbers

Target by September ₹63k; advance tax paid ₹40k → shortfall ₹23k before considering any applicable interest consequences.

IF A DATE WAS MISSED

Do not guess. Rebuild the position from today

1. Update the annual estimate and TDS credits
2. Confirm what advance tax was actually paid
3. Find the current shortfall and check interest implications
4. Pay / seek advice promptly and save the challan

WHAT TO DO IN SOLOLEDGER

Advance Tax Planner

Enter what you actually paid, identify the shortfall, and review current interest implications if a due date was missed.

Source / reference: Income Tax Department Tax Payments FAQ discusses Sections 424 and 425 interest under the Income Tax Act, 2025.

Short payment example

Compare target with what was actually paid.

EXAMPLE

Cumulative target ₹45,000. Advance tax paid ₹30,000. Shortfall = ₹15,000.

Estimate	-	Credits	=	Fund
Total tax		TDS + others		Net tax

IN SIMPLE WORDS

Shortfall is target minus advance tax paid to date.

Use the cumulative target for that milestone. A partial payment reduces the shortfall but does not erase the unpaid balance.

REAL EXAMPLE

See the idea with numbers

Cumulative target ₹45k - paid ₹30k = ₹15k shortfall.

STEP 1

Rebuild position

Use current numbers

STEP 2

Find shortfall

Target minus actual paid

STEP 3

Act

Review interest and record payment

WHAT TO DO IN SOLOLEDGER

Advance Tax Planner

Enter what you actually paid, identify the shortfall, and review current interest implications if a due date was missed.

Why interest can apply

Advance-tax defaults and deferments can have statutory interest consequences.

Income Tax Department guidance notes that the new Act retains the advance-tax interest framework, including Section 424 (legacy 234B) and Section 425 (legacy 234C).

The exact result depends on timing and tax facts, so use official computation / professional help rather than a simplistic flat penalty guess.

IN SIMPLE WORDS

Interest rules exist because the timing matters.

This guide explains the awareness concept but does not pretend every interest case can be calculated from a few spreadsheet cells.

REAL EXAMPLE

See the idea with numbers

Two taxpayers with the same year-end tax can have different interest outcomes because income timing, shortfalls and exceptions differ.

INTEREST AWARENESS

Interest depends on the type and timing of the shortfall

Annual default
Section 424 / legacy 234B context

+

Instalment deferment
Section 425 / legacy 234C context

SoloLedger should flag the shortfall; use the current official computation or professional advice for exact statutory interest.

WHAT TO DO IN SOLOLEDGER

Advance Tax Planner

Enter what you actually paid, identify the shortfall, and review current interest implications if a due date was missed.

Source / reference: Income Tax Department Tax Payments FAQ: Sections 424 / 425 guidance.

Section 424 / legacy 234B

Think of this as a year-end adequacy issue, not just one quarterly box.

Department guidance describes interest where required advance tax is not paid or advance tax paid is less than the specified proportion of assessed tax.

This guide keeps the concept high level because assessed tax and statutory periods require facts outside SoloLedger.

IN SIMPLE WORDS

Section 424 is the current bridge to the old 234B concept.

At a high level, it concerns insufficient advance tax by the end of the relevant period. Use current official guidance for exact application.

REAL EXAMPLE

See the idea with numbers

If a material portion of tax remained unpaid beyond the required point, professional review may be appropriate.

SECTION MAP

Section 424 is the current bridge to the old 234B concept

Question	What to check
Was enough advance tax paid overall?	**Compare with assessed-tax requirements**
Was payment below the relevant threshold?	**Interest may apply for the specified period**
Need an exact rupee amount?	**Use official computation / professional advice**

WHAT TO DO IN SOLOLEDGER

Advance Tax Planner

Enter what you actually paid, identify the shortfall, and review current interest implications if a due date was missed.

Section 425 / legacy 234C

This relates to deferment / shortfall against instalment expectations.

The department describes interest consequences for deferment of advance-tax instalments. The calculation depends on the applicable instalment and statutory period.

Use the planner to avoid discovering the shortfall after the due date.

IN SIMPLE WORDS

Section 425 is the current bridge to the old 234C concept.

At a high level, it concerns deferment/shortfall against advance-tax instalment expectations. Exact computation can depend on facts.

REAL EXAMPLE

See the idea with numbers

A September shortfall and a December shortfall are not just one single year-end number; timing can matter.

SECTION MAP

Section 425 is the current bridge to the old 234C instalment-deferment concept

Question	What to check
Was an instalment short?	**Compare actual payment with the relevant cumulative target**
Was the shortfall corrected later?	**Timing still matters for interest**
Income arose unusually late?	**Specific statutory exceptions can matter**

WHAT TO DO IN SOLOLEDGER

Advance Tax Planner

Enter what you actually paid, identify the shortfall, and review current interest implications if a due date was missed.

Why SoloLedger does not calculate every interest case

A trustworthy planning tool should not fake precision.

1. Income can arise unevenly
2. Special exceptions can matter
3. Assessed tax may differ from your estimate
4. Interest periods depend on timing
5. Professional interpretation may be needed

> The workbook warns and tracks. It does not pretend to be a statutory interest engine.

IN SIMPLE WORDS

Not automating every interest case is intentional.

A simple spreadsheet does not know every statutory exception or the exact timing of each type of income. A false “exact” result would be worse than a clear warning.

REAL EXAMPLE

See the idea with numbers

Use SoloLedger to identify the gap, then use current official tools/advice for the final interest calculation when needed.

WHY THERE IS NO ONE-CLICK INTEREST NUMBER

The inputs can be more complex than the advance-tax schedule itself

Timing
when income arose and payments happened

Type
annual default vs instalment shortfall

Exceptions
facts that may change the statutory result

WHAT TO DO IN SOLOLEDGER

Advance Tax Planner

Enter what you actually paid, identify the shortfall, and review current interest implications if a due date was missed.

If you are already late

Turn the situation into a short action list.

1. Update income and expenses
2. Verify TDS / credits
3. Check tax already paid
4. Calculate current shortfall
5. Review official portal / professional advice
6. Pay where applicable
7. Save the challan and update SoloLedger

IN SIMPLE WORDS

If you are late, rebuild the current position now.

Do not spend time trying to preserve an old incorrect estimate. Update records, verify credits, calculate the shortfall and take the next appropriate action.

REAL EXAMPLE

See the idea with numbers

If you discover the issue in October, use October information to determine the current gap instead of pretending it is still September.

STEP 1
Rebuild position
Use current numbers

STEP 2
Find shortfall
Target minus actual paid

STEP 3
Act
Review interest and record payment

Keep payment records

Every payment should be easy to prove later.

1. Payment date
2. Amount
3. Tax Year
4. Payment type
5. Challan / CRN reference
6. Bank confirmation / receipt

> A clean payment trail makes later reconciliation much easier.

IN SIMPLE WORDS

Payment proof is part of your tax records.

Save the challan/reference, payment date and amount. The workbook should mirror what actually happened, not what you intended to pay.

REAL EXAMPLE

See the idea with numbers

If you planned ₹30k but paid ₹25k, record ₹25k. The remaining gap should stay visible.

STEP 1

Rebuild position

Use current numbers

STEP 2

Find shortfall

Target minus actual paid

STEP 3

Act

Review interest and record payment

WHAT TO DO IN SOLOLEDGER

Advance Tax Planner

Enter what you actually paid, identify the shortfall, and review current interest implications if a due date was missed.

Late-payment action plan

Do not confuse anxiety with action.

- Deadline passed? -> update estimate
- Shortfall exists? -> verify credits
- Still uncertain? -> get help
- Payment made? -> save challan
- Then -> update SoloLedger

IN SIMPLE WORDS

The late-payment plan is short and practical.

Update → verify → calculate gap → review interest implications → pay/record. That sequence turns anxiety into a checklist.

REAL EXAMPLE

See the idea with numbers

Use the planner to identify the amount; use current official guidance for the legal consequences.

STEP 1

Rebuild position

Use current numbers

STEP 2

Find shortfall

Target minus actual paid

STEP 3

Act

Review interest and record payment

Before you make a payment

Verify the context before entering any amount.

1. Correct PAN / taxpayer
2. Income Tax Act, 2025 for TY 2026-27 onwards
3. Correct Tax Year
4. Correct tax-payment category
5. Correct amount
6. Reliable payment method

IN SIMPLE WORDS

Verify context before entering money.

The most expensive payment error is often a wrong year or wrong category, not a math mistake. Read the portal screen before confirming.

REAL EXAMPLE

See the idea with numbers

Check PAN/account context, Tax Year 2026-27, Income Tax Act 2025 selection where applicable, payment type and amount.

STEP 1

Verify

Year + category + amount

STEP 2

Pay

Use current portal

STEP 3

Save proof

Record challan in SoloLedger

WHAT TO DO IN SOLOLEDGER

Advance Tax

Before paying, verify the correct tax year and payment category. After paying, save the challan and record the amount.

Source / reference: Income Tax Department challan guidance confirms ITA 2025 for Tax Year 2026-27 onward.

Tax Year, not Assessment Year

This is a real 2026 change.

Under the Income Tax Act, 2025, the Tax Year terminology applies from 1 April 2026. Tax Year 2026-27 corresponds to the financial year beginning 1 April 2026.

Do not blindly follow old screenshots that ask you to think in the same labels as earlier periods.

IN SIMPLE WORDS

2026-27 uses Tax Year language under the new Act.

Older articles may still talk about Previous Year and Assessment Year. For periods under the new Act, use the current portal terminology.

REAL EXAMPLE

See the idea with numbers

When paying for 2026-27, match the year shown in current e-Filing instructions rather than copying an old screenshot.

2026 TERMINOLOGY

For 2026-27, follow the current Tax Year / new Act labels

Older material may say	Current 2026-27 guide uses
Previous Year / Assessment Year framing	**Tax Year 2026-27**
Income-tax Act, 1961 for new-period payment	**Income Tax Act, 2025**

WHAT TO DO IN SOLOLEDGER

Advance Tax

Before paying, verify the correct tax year and payment category. After paying, save the challan and record the amount.

Source / reference: Income Tax Department General Questions: https://www.incometax.gov.in/iec/foportal/help/all-topics/e-filing-services/General%20Questions-faqs

The e-Pay Tax workflow

Use the current portal path and read the screen before you pay.

incometax.gov.in | e-Pay Tax

1. Log in to the e-Filing portal
2. Open e-File -> e-Pay Tax
3. Select Income Tax Act, 2025 for TY 2026-27 onwards
4. Choose New Payment
5. Choose the applicable Income Tax tile / Advance Tax option
6. Enter amount and pay
7. Save challan / CRN

IN SIMPLE WORDS

The portal workflow is a sequence, not a memory test.

Log in, choose e-Pay Tax, select the current Act/year/payment category, enter the amount, pay, and save the challan/reference.

REAL EXAMPLE

See the idea with numbers

If the label on your live portal differs from an old guide, follow the current portal and official help text.

STEP 1
Verify
Year + category + amount

STEP 2
Pay
Use current portal

STEP 3
Save proof
Record challan in SoloLedger

Source / reference: Income Tax Department Challan Creation through PAN Login / Tax Payment Modes guidance.

Do not choose the wrong year

A correct amount attached to the wrong tax period creates avoidable cleanup.

Pause before payment and confirm the Tax Year displayed. If you are paying for an older period, the applicable Act / year terminology may be different.

This page is intentionally a warning because rushing the portal is an easy mistake.

> Read the selected Act + Tax Year before clicking through.

IN SIMPLE WORDS

The wrong year can make a correct payment hard to reconcile.

Always pause at the year-selection step. The number you are paying is only useful if it is attached to the correct tax period.

REAL EXAMPLE

See the idea with numbers

Before clicking pay, read the chosen Tax Year aloud and compare it with the period you are planning in SoloLedger.

5-SECOND PAYMENT PAUSE

Before clicking Pay, verify these three items on the live portal

Year
Tax Year 2026-27

Category
correct tax / advance-tax selection

Amount
matches your current plan

WHAT TO DO IN SOLOLEDGER

Advance Tax

Before paying, verify the correct tax year and payment category. After paying, save the challan and record the amount.

Save your challan

The payment is not finished until you can prove it.

Keep the challan / payment acknowledgement with your tax records. Use a clear filename such as “2026-09-15_AdvanceTax_TY2026-27_₹42000.pdf”.

A simple naming habit makes year-end review much easier.

IN SIMPLE WORDS

The challan closes the loop.

It is your evidence that the payment was actually made. Keep it with your tax records and enter the same amount/date in SoloLedger.

REAL EXAMPLE

See the idea with numbers

Create a folder such as “Tax 2026-27 / Advance Tax / Sep” and save the challan immediately after payment.

RECORD PACK

A good payment record should answer six questions later

Keep	Why
Date + amount	**Matches planner and bank**
Tax Year + payment type	**Shows what the payment was for**
Challan / CIN reference	**Evidence for reconciliation**

WHAT TO DO IN SOLOLEDGER

Advance Tax

Before paying, verify the correct tax year and payment category. After paying, save the challan and record the amount.

Record the payment in SoloLedger

Update the amount paid against the correct milestone.

The Advance Tax sheet compares the cumulative target with the payments you enter. Once payment is recorded, the next current amount due updates automatically.

REAL SOLOLEDGER WORKBOOK

SoloLedger | Advance Tax Planner

Plan the net advance-tax amount after TDS and other eligible tax credits.

The annual tax estimate now comes from Tax Estimate Helper by default. TDS and Other Tax Credits are then netted before the advance-tax schedule.

Planning Mode: Regular

EST. TAX BEFORE CREDITS	TDS CREDIT	OTHER TAX CREDITS	NET ADVANCE-TAX PLAN
0	0	0	0

Instalment	Due Date	Cumulative Target %	Cumulative Target	Current Amount Due	Amount Paid	Status	Notes
1st Instalment	15-Jun-2026	15%	0	0		Not Required	
2nd Instalment	15-Sep-2026	45%	0	0		Not Required	
3rd Instalment	15-Dec-2026	75%	0	0		Not Required	
Final Instalment	15-Mar-2027	100%	0	0		Not Required	

IMPORTANT

SoloLedger uses the official advance-tax planning pattern as a reminder tool. For Tax Year 2026–27, the Income Tax Act, 2025 applies. A net advance-tax planning liability below ₹10,000 is shown as zero here. Presumptive-tax users are shown a single 100% target by 15 March. Confirm your actual liability, exceptions and interest position before payment.

IN SIMPLE WORDS

SoloLedger should mirror the challan.

Enter the actual payment against the relevant milestone. Do not enter the planned amount if the bank/portal transaction was different.

REAL EXAMPLE

See the idea with numbers

Challan shows ₹42,000 paid on 14 Sep → record ₹42,000, not the ₹45,000 you originally planned.

STEP 1
Verify
Year + category + amount

STEP 2
Pay
Use current portal

STEP 3
Save proof
Record challan in SoloLedger

WHAT TO DO IN SOLOLEDGER

Advance Tax

Before paying, verify the correct tax year and payment category. After paying, save the challan and record the amount.

Payment checklist

Use this before and after every advance-tax payment.

1. Estimate updated
2. TDS verified
3. Next target checked
4. Cash available
5. Act + Tax Year checked
6. Payment category checked
7. Payment completed
8. Challan saved
9. SoloLedger updated

IN SIMPLE WORDS

Use the payment checklist before and after payment.

Before: verify year, category and amount. After: save proof, record payment, and check what the planner now shows as remaining.

REAL EXAMPLE

See the idea with numbers

The process is complete only when both the tax portal and your records agree.

STEP 1
Verify
Year + category + amount

STEP 2
Pay
Use current portal

STEP 3
Save proof
Record challan in SoloLedger

Case study: designer with a strong second half

Income rises after September.

REAL-WORLD SCENARIO

Follow the numbers, then focus on the decision.

Maya begins with projected business income of ₹10L. In October she signs two large branding projects and the projection rises to ₹16L.

Her December review increases the tax estimate and therefore the 75% cumulative target. Because she kept a monthly reserve, the top-up is manageable instead of shocking.

LESSON

A changing estimate is not a failure. Failing to update it is the problem.

IN SIMPLE WORDS

Maya’s lesson: strong growth requires a fresh estimate.

Her problem is not that the forecast changed. Her risk would be continuing to reserve money based on the old ₹10L view after the business moved toward ₹16L.

REAL EXAMPLE

See the idea with numbers

When two large projects land, she updates projected income, expected costs and TDS before checking the December target.

STEP 1
Spot change
What moved?

STEP 2
Update inputs
Income, costs, TDS

STEP 3
Take next action
Use latest planner result

WHAT TO DO IN SOLOLEDGER

Dashboard

Copy the case-study habit: update records, refresh the estimate, then act only on the latest result.

Case study: consultant with heavy TDS

Strong withholding can reduce the extra cash payment.

REAL-WORLD SCENARIO

Follow the numbers, then focus on the decision.

Kabir has estimated total tax of ₹2.1L, but clients have already withheld ₹1.2L in TDS. Other eligible credits are nil.

His net advance-tax funding base is ₹90,000 before considering payments already made.

LESSON

Look at total tax and net cash still to fund separately.

IN SIMPLE WORDS

Heavy TDS can reduce fresh advance-tax cash.

The consultant still needs to understand the annual tax estimate, but verified client TDS may cover a meaningful portion of it.

REAL EXAMPLE

See the idea with numbers

If estimated tax is ₹2L and verified TDS is ₹1.2L, only the remaining plan needs fresh cash before considering advance tax already paid.

CASE SNAPSHOT

Why heavy TDS changes the cash requirement

₹2.1L	- ₹1.2L	₹90k
estimated tax	verified TDS	tax still to fund before prior payments

WHAT TO DO IN SOLOLEDGER

Dashboard

Copy the case-study habit: update records, refresh the estimate, then act only on the latest result.

Case study: creator with little TDS

High bank receipts can still require disciplined tax saving.

REAL-WORLD SCENARIO

Follow the numbers, then focus on the decision.

Nisha earns from several platforms and brand deals. Much of the cash arrives without meaningful withholding.

Her bank balance therefore looks healthy, but the tax-credit bucket is small. SoloLedger suggests a higher additional tax-reserve percentage than a freelancer with the same income but heavier TDS.

IN SIMPLE WORDS

Low TDS means more self-funding.

A creator whose clients do not withhold much TDS may receive more bank cash but must build a larger tax reserve personally.

REAL EXAMPLE

See the idea with numbers

Two freelancers with the same taxable income can have different advance-tax cash needs because their TDS credits differ.

CASE SNAPSHOT

Little TDS means the freelancer must build more of the tax cash personally

High bank cash
less withheld by clients

→

Bigger self-funded reserve
if tax is still due

WHAT TO DO IN SOLOLEDGER

Dashboard

Copy the case-study habit: update records, refresh the estimate, then act only on the latest result.

Case study: presumptive professional

Monthly saving supports a single March payment.

REAL-WORLD SCENARIO

Follow the numbers, then focus on the decision.

Rohan uses an eligible presumptive professional scenario. His planner shows a single 15 March advance-tax milestone, but he still transfers money to a tax-reserve account every month.

By March the payment is already funded.

IN SIMPLE WORDS

Presumptive timing still needs monthly discipline.

The professional can build a reserve through the year and make the relevant March payment without trying to find all the cash at once.

REAL EXAMPLE

See the idea with numbers

A monthly transfer into a tax bucket turns one large March obligation into smaller cash-management actions.

CASE SNAPSHOT

Turn one March payment into twelve smaller cash habits

Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar
reserve monthly	refresh estimate	keep reserve aligned	finalise and pay

WHAT TO DO IN SOLOLEDGER

Dashboard

Copy the case-study habit: update records, refresh the estimate, then act only on the latest result.

Case study: salary + freelance side income

Salary TDS does not automatically mean the freelance side is covered.

REAL-WORLD SCENARIO

Follow the numbers, then focus on the decision.

Ananya has a salary where tax is withheld plus ₹6L of freelance consulting receipts. She includes the relevant salary / other normal-rate income in her annual estimate and reviews total credits.

The important point is to estimate the combined position rather than assuming salary withholding automatically covers everything.

> Mixed-income situations are a good reason to verify the estimate with a professional.

IN SIMPLE WORDS

Salary TDS does not automatically cover freelance tax.

A salaried person with side freelance income should include the relevant income and tax credits in one annual view.

REAL EXAMPLE

See the idea with numbers

Your employer may cover salary tax correctly while extra freelance profit still creates additional tax to fund.

CASE SNAPSHOT

Salary withholding and freelance tax need one combined annual view

Salary side
employer TDS may cover salary tax

+

Freelance side
may still create extra tax to fund

WHAT TO DO IN SOLOLEDGER

Dashboard

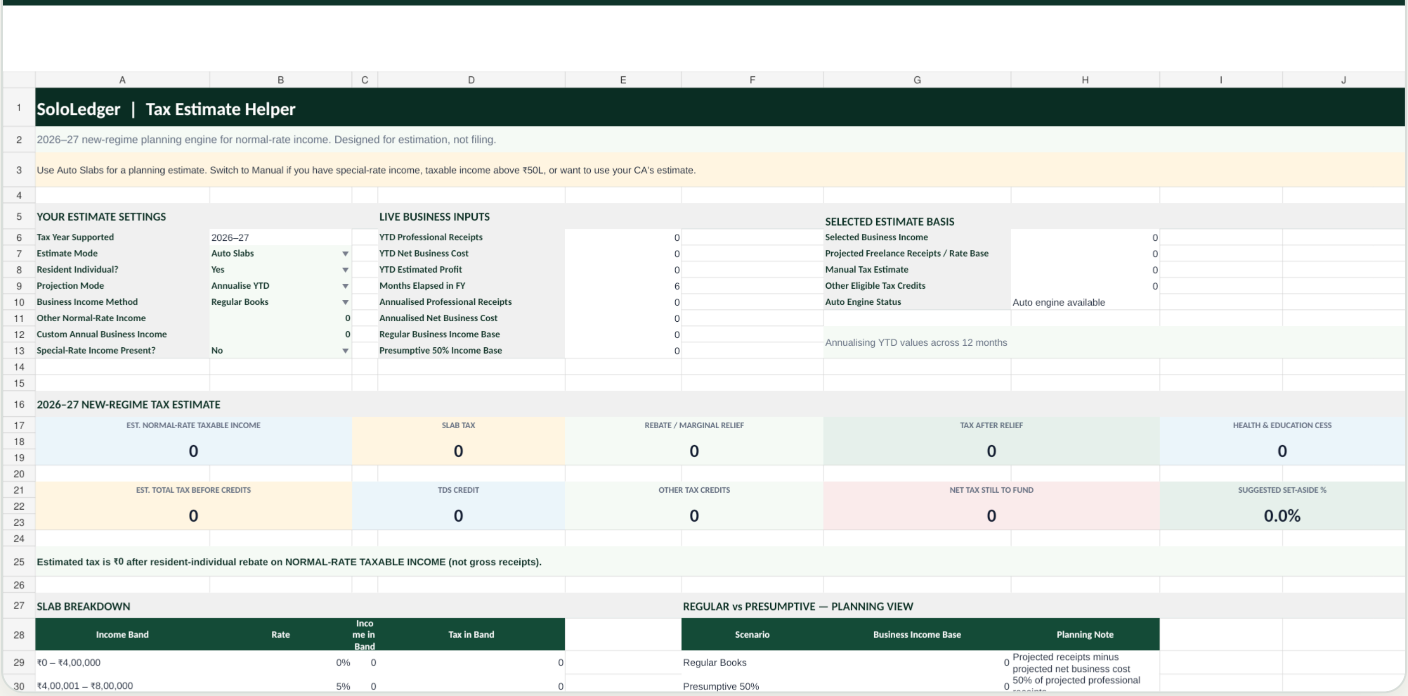
Copy the case-study habit: update records, refresh the estimate, then act only on the latest result.

Inside Tax Estimate Helper

This is the annual estimate engine feeding the advance-tax plan.

Choose projection mode, regular-books or presumptive scenario, resident status, other normal-rate income and manual mode when needed. The helper calculates the supported estimate and suggested set-aside rate.

REAL SOLOLEDGER WORKBOOK



SoloLedger | Tax Estimate Helper

2026–27 new-regime planning engine for normal-rate income. Designed for estimation, not filing.

Use Auto Slabs for a planning estimate. Switch to Manual if you have special-rate income, taxable income above ₹50L, or want to use your CA's estimate.

YOUR ESTIMATE SETTINGS		LIVE BUSINESS INPUTS		SELECTED ESTIMATE BASIS	
Tax Year Supported	2026–27	YTD Professional Receipts	0	Selected Business Income	0
Estimate Mode	Auto Slabs	YTD Net Business Cost	0	Projected Freelance Receipts / Rate Base	0
Resident Individual?	Yes	YTD Estimated Profit	0	Manual Tax Estimate	0
Projection Mode	Annualise YTD	Months Elapsed in FY	6	Other Eligible Tax Credits	0
Business Income Method	Regular Books	Annualised Professional Receipts	0	Auto Engine Status	Auto engine available
Other Normal-Rate Income	0	Annualised Net Business Cost	0		
Custom Annual Business Income	0	Regular Business Income Base	0	Annualising YTD values across 12 months	
Special-Rate Income Present?	No	Presumptive 50% Income Base	0		

2026–27 NEW-REGIME TAX ESTIMATE

EST. NORMAL-RATE TAXABLE INCOME	SLAB TAX	REBATE / MARGINAL RELIEF	TAX AFTER RELIEF	HEALTH & EDUCATION CESS
0	0	0	0	0

EST. TOTAL TAX BEFORE CREDITS	TDS CREDIT	OTHER TAX CREDITS	NET TAX STILL TO FUND	SUGGESTED SET-ASIDE %
0	0	0	0	0.0%

Estimated tax is ₹0 after resident-individual rebate on NORMAL-RATE TAXABLE INCOME (not gross receipts).

SLAB BREAKDOWN

Income Band	Rate	Income in Band	Tax in Band
₹0 – ₹4,00,000	0%	0	0
₹4,00,001 – ₹8,00,000	5%	0	0

REGULAR vs PRESUMPTIVE — PLANNING VIEW

Scenario	Business Income Base	Planning Note
Regular Books	0	Projected receipts minus projected net business cost
Presumptive 50%	0	50% of projected professional

IN SIMPLE WORDS

Read the Tax Estimate Helper from top to bottom.

First check projection mode and business-income method. Then review the estimated tax and credits. The suggested reserve rate is an output, not an input to guess.

REAL EXAMPLE

See the idea with numbers

If the helper result looks surprising, inspect the annual projection and other-income inputs before changing anything else.

STEP 1
Input
Detailed sheets

STEP 2
Calculate
Helper + planner

STEP 3
Review
Dashboard reminders

WHAT TO DO IN SOLOLEDGER

Dashboard

Use the dashboard for reminders. Make changes in the detailed input/planning tabs, not by typing over dashboard outputs.

Inside Advance Tax Planner

The annual estimate becomes a payment schedule.

The sheet shows estimated tax before credits, TDS credit, other credits, net advance-tax plan, cumulative targets, amount paid and current amount due.

REAL SOLOLEDGER WORKBOOK

SoloLedger | Advance Tax Planner

Plan the net advance-tax amount after TDS and other eligible tax credits.

The annual tax estimate now comes from Tax Estimate Helper by default. TDS and Other Tax Credits are then netted before the advance-tax schedule.

Planning Mode Regular

EST. TAX BEFORE CREDITS	TDS CREDIT	OTHER TAX CREDITS	NET ADVANCE-TAX PLAN
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SoloLedger uses the official advance-tax planning pattern as a reminder tool. For Tax Year 2026–27, the Income Tax Act, 2025 applies. A net advance-tax planning liability below ₹10,000 is shown as zero here. Presumptive-tax users are shown a single 100% target by 15 March. Confirm your actual liability, exceptions and interest position before payment.

IN SIMPLE WORDS

The Advance Tax Planner answers one question: what is next?

It converts the current net annual tax plan into cumulative targets, subtracts tax already paid, and shows the current amount due in the planning schedule.

REAL EXAMPLE

See the idea with numbers

Use it after Tax Estimate Helper, not instead of Tax Estimate Helper.

STEP 1
Input
Detailed sheets

STEP 2
Calculate
Helper + planner

STEP 3
Review
Dashboard reminders

WHAT TO DO IN SOLOLEDGER

Dashboard

Use the dashboard for reminders. Make changes in the detailed input/planning tabs, not by typing over dashboard outputs.

How the two tabs work together

One estimates the annual position; the other converts it into dates.

Tax Estimate Helper → **estimated tax** → **TDS / other credits** → **net advance-tax plan** → **cumulative milestones** → **payment entries.**

Flow: Tax Estimate Helper -> estimated tax -> TDS / other credits -> net advance-tax plan -> cumulative milestones -> payment entries.

IN SIMPLE WORDS

The two tabs have different jobs.

Tax Estimate Helper estimates the annual tax position. Advance Tax Planner handles timing. Keeping those jobs separate makes errors easier to find.

REAL EXAMPLE

See the idea with numbers

Wrong annual estimate? Fix the helper. Wrong payment history? Fix the Advance Tax tab.

THE SOLOLEDGER DATA FLOW

Do not edit the dashboard to fix a calculation

Inputs	Estimate	Timing	Reminder
invoices + expenses	Tax Estimate Helper	Advance Tax Planner	Dashboard

WHAT TO DO IN SOLOLEDGER

Dashboard

Use the dashboard for reminders. Make changes in the detailed input/planning tabs, not by typing over dashboard outputs.

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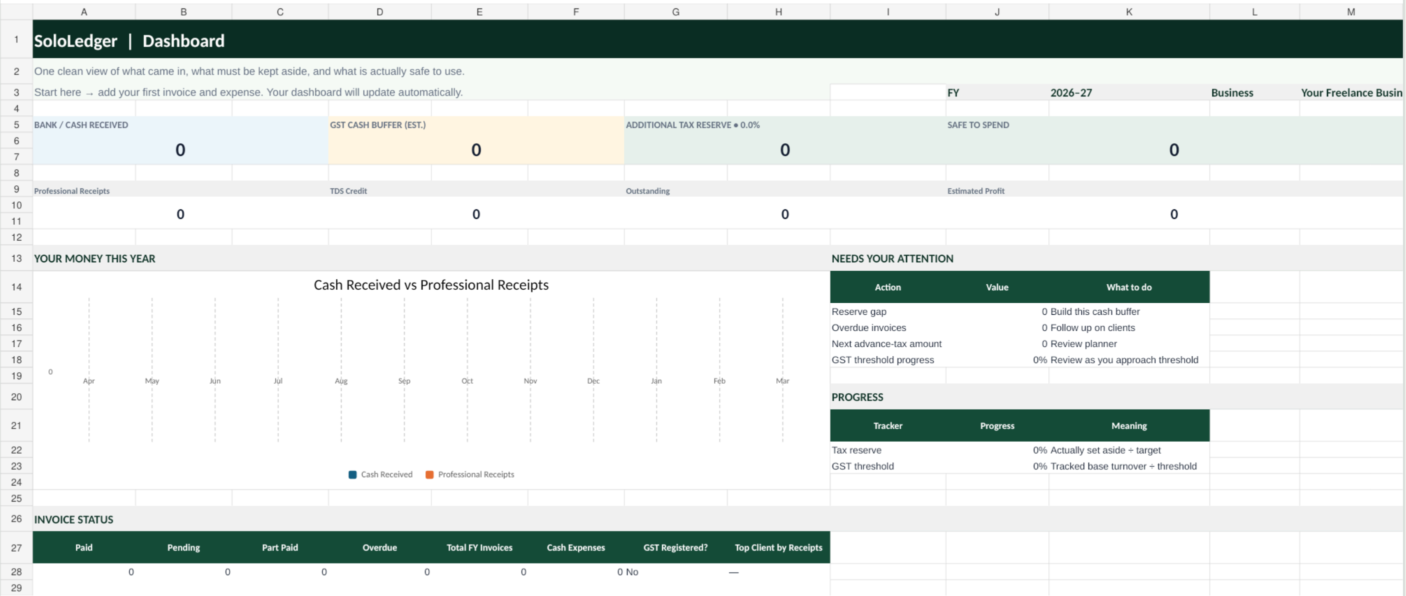
Dashboard: Needs Your Attention

The weekly dashboard surfaces the next money action.

Use the dashboard as a reminder layer, not as the place where you manually calculate tax. If the tax estimate changes, go back to Tax Estimate Helper first.

REAL SOLOLEDGER WORKBOOK



IN SIMPLE WORDS

Dashboard is the reminder layer.

It should tell you that something needs attention, not replace the detailed calculation pages.

REAL EXAMPLE

See the idea with numbers

If “Next advance-tax amount” looks high, open Tax Estimate Helper and Advance Tax before deciding what to do.

STEP 1
Input
Detailed sheets

STEP 2
Calculate
Helper + planner

STEP 3
Review
Dashboard reminders

WHAT TO DO IN SOLOLEDGER

Dashboard

Use the dashboard for reminders. Make changes in the detailed input/planning tabs, not by typing over dashboard outputs.

Your monthly update routine

Ten minutes is enough if the records stay current.

1. Update invoice settlements
2. Log expenses
3. Reconcile TDS
4. Review projection
5. Check Tax Estimate Helper
6. Check next advance-tax amount
7. Update tax reserve

IN SIMPLE WORDS

One monthly routine keeps the system useful.

Update invoices → expenses → TDS → projection → tax helper → advance-tax plan → reserve. Do it in the same order each month.

REAL EXAMPLE

See the idea with numbers

Consistency matters more than spending an hour on the workbook once every six months.

STEP 1

Input

Detailed sheets

STEP 2

Calculate

Helper + planner

STEP 3

Review

Dashboard reminders

Advance Tax Calculation Worksheet

Use this page as a manual cross-check.

Projected annual normal-rate taxable income	______
Estimated tax before credits	______
Less: TDS credit	______
Less: other eligible tax credits	______
Net advance-tax plan	______
Less: advance tax already paid	______
Remaining amount to fund	______

Print or annotate this page. The blank lines are intentional so you can cross-check SoloLedger manually before a payment.

IN SIMPLE WORDS

Use the worksheet as an independent sense-check.

Write the annual taxable-income estimate, tax before credits, TDS, other credits, advance tax already paid and remaining funding requirement.

REAL EXAMPLE

See the idea with numbers

If your manual cross-check and SoloLedger are far apart, investigate the inputs before making a payment.

STEP 1
Write the numbers
Use actual records

STEP 2
Cross-check
Compare with SoloLedger

STEP 3
Keep proof
Save payment evidence

Quarterly Review Checklist

Run it before June, September, December and March.

1. Invoices current
2. Payment dates entered
3. Expenses current
4. TDS reconciled
5. Other income reviewed
6. Projection mode still sensible
7. Tax helper reviewed
8. Next cumulative target reviewed
9. Cash reserve available

IN SIMPLE WORDS

The quarterly checklist is a data-quality check.

The goal is not to tick boxes quickly. Each item removes one common source of a wrong advance-tax estimate.

REAL EXAMPLE

See the idea with numbers

Missing expenses can overstate profit; missing TDS can overstate cash still to fund; missing invoices can understate the annual estimate.

STEP 1

Write the numbers

Use actual records

STEP 2

Cross-check

Compare with SoloLedger

STEP 3

Keep proof

Save payment evidence

Advance Tax Deadline Planner

A one-page calendar for the year.

15 JUN	15 SEP	15 DEC	15 MAR
15%	**45%**	**75%**	**100%**
Cumulative target	Cumulative target	Cumulative target	Cumulative target

1. 15 June - first regular milestone
2. 15 September - second regular milestone
3. 15 December - third regular milestone
4. 15 March - final regular milestone / presumptive full-payment date

> Add your own reminder 7-10 days before each relevant date.

IN SIMPLE WORDS

Put reminders before the due dates.

A reminder on the due date is too late if you still need to reconcile records or move cash. Give yourself a preparation window.

REAL EXAMPLE

See the idea with numbers

Create reminders 7-10 days before 15 Jun, 15 Sep, 15 Dec and 15 Mar when those milestones apply to you.

STEP 1

Write the numbers

Use actual records

STEP 2

Cross-check

Compare with SoloLedger

STEP 3

Keep proof

Save payment evidence

Questions to ask your CA

Use the workbook to make the conversation more specific.

1. Is my annual income projection reasonable?
2. Are all my TDS credits accounted for?
3. Does the presumptive professional scheme apply to me?
4. Do I have special-rate income that needs separate treatment?
5. Is any advance-tax interest relevant?
6. Are there other credits or adjustments I missed?
7. Has my GST position changed?

IN SIMPLE WORDS

A better CA conversation starts with better records.

Bring specific numbers and specific questions. SoloLedger can organise the facts, while your CA can handle judgement and complex legal treatment.

REAL EXAMPLE

See the idea with numbers

Instead of “How much tax do I pay?”, ask “My projected business income is X, TDS is Y, and I have Z special-rate income - is this advance-tax plan reasonable?”

STEP 1
Write the numbers
Use actual records

STEP 2
Cross-check
Compare with SoloLedger

STEP 3
Keep proof
Save payment evidence

One-page quick reference

Estimate -> subtract credits -> check target -> pay -> record -> re-estimate.

SoloLedger is a record-keeping and planning system. It does not file returns, determine statutory eligibility or replace personalised tax advice.

For Tax Year 2026-27, use current Income Tax Act, 2025 guidance and the current e-Filing portal instructions.

1. Tax Payments FAQ - advance-tax timing, Section 58 and interest
2. General Questions - Tax Year terminology / Act selection
3. Challan Creation through PAN Login - ITNS 280N / advance-tax payment workflow
4. Tax Payment Modes under e-Pay Tax - current payment options

OFFICIAL REFERENCES USED

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