**Indirect taxation - Diagram**

1. **Draw the process of applying an indirection (specific) tax in three stages, making sure each diagram is fully labelled and annotated with a short explanation what is occurring in each diagram.**

**1.**

**2.**

**3.**

**Details/Annotations:**

***Why does the supply curve shift to the left?***

***What does the vertical distance between S1-S2 illustrate?***