Step one:
Create a copy of the object we are creating the shadow for. Place it on a new layer. If the object is already on its own layer, we can right click that layer and choose “Duplicate Layer.”

A window will pop up when you create the duplicate layer. Name the new layer “Object” in the top box.
Step Two:

Using the Magic Wand tool, select the background of the object in the shadow layer. You might have to select multiple areas, so select the Multiple Selection Wand tool, which will appear in the upper left hand corner. You might have to adjust the tolerance of the Magic Wand, also located on the upper left hand corner. As the tolerance decreases, the selected area increases. If Magic Wand doesn’t work for a particular situation (ie. if the background is not a uniform color), use one of the Lasso tools to select the areas. After you have everything selected that you don’t need in the object layer, press the delete button on your keyboard to delete the areas. Now you have a layer of just your object. Duplicate that layer and save the new layer as "Shadow."
Step Three:

Use the Image > Adjustments > Curves command to edit the “Shadow” layer. Bring the right-hand side handle all the way down to the bottom of the graph. Click OK to commit to the changes.

Step Four:

Use the image transform tool (Ctrl + T) to shape the shadow appropriately. To skew the shadow, click on the corner of the transformation box and press down Ctrl. Press enter to commit to the changes or escape to cancel after you are done.
CREATING SHADOWS

Step Five:
Lock the transparency of the shadow layer: (the first item located in the Layer window).

Step Six:
Apply a gradient to the shadow by selecting the shadow with the Magic Wand and using the Gradient tool.

Step Seven:
Use the Filter > Blur > Gaussian Blur to blur the shadow. Adjust the pixels accordingly in the preview.

Step Eight:
Using the Quick Mask tool from the bottom of the Layers tool palette, create a gradient that covers half of the shadow, from darkest to lightest. Masking the layer helps us control the transparency of the shadow. In the mask, black represents 100% transparency and white 0%. When we apply the Black to White gradient to the mask, it should slowly fade out the shadow to make it look more realistic. Repeat the Gaussian Blur on the shadow.

Note: Make sure to always have the object layer on top of its shadow layer. You can rearrange the order of the layers by clicking and dragging them in the Layers window.
Step One:
Create a new layer by clicking on the new layer icon on the bottom right hand corner of the Layers window to the left of delete layer. Name this “color overlay.”

Step Two:
While in the new layer, create a color gradient with the Gradient tool. Make sure to change the colors from black and white in the Gradient Picker at the top of the screen and select the colors you want. You then pick 2 points on the image that the gradient will fall between.

Step Three:
Apply a filter to the color overlay. Filters are located on the upper left hand corner of the Layers window. Apply the “color” or “overlay” filter to the color overlay layer. For this exercise we are applying the color overlay to the background, so make sure that the color overlay layer is just below the object layer, which should be on top.

Note: You might use color overlays when you need to highlight or change the color of something.