Table 1. Output, price, profit and Lerner index under different tax regimes with Cournot, Stackelberg and collusion

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Tax mode | Firm output | Industry price | Firm profit | Lerner index *L* |
| Cournot | no tax |  |  |  |  |
|  | unit tax |  |  |  |  |
|  | ad valorem tax |  |  |  |  |
|  | revenue tax |  |  |  |  |
| Collusion | no tax |  |  |  |  |
|  | unit tax |  |  |  |  |
|  | ad valorem tax |  |  |  |  |
|  | revenue tax |  |  |  |  |
| Stackelberg  leader | no tax |  |  |  |  |
|  | unit tax |  |  |  |  |
|  | ad valorem tax |  |  |  |  |
|  | revenue tax |  |  |  |  |
| Stackelberg follower | no tax |  |  |  |  |
|  | unit tax |  |  |  |  |
|  | ad valorem tax |  |  |  |  |
|  | revenue tax |  |  |  |  |

Table 2. Optimal tax rate with a unit tax and an ad valorem tax

|  |  |  |
| --- | --- | --- |
|  | Market structure | Optimal tax rate |
| Unit tax | Cournot |  |
| Monopoly |  |
| Stackelberg |  |
| Ad valorem | Cournot |  |
| Monopoly |  |
| Stackelberg |  |