Create Text Inside a Shape with Photoshop

One of the cool features of Photoshop is the ability to fill a shape with text. The shape can be as simple as a standard rectangle or a complicated custom shape. Here is how it is done:

Adding Text to a Rectangle

This is a very handy procedure if you have to constrain text to specific boundaries in a design for a poster or Web site layout.

Start Photoshop and create a new image. To do this click File on the Menu bar, then click New on the menu.

For the purposes of this tutorial, make the image 600 pixels wide, 400 pixels high with a resolution of 100 pixels per inch. Do this in the Preset Details panel. Select Create.

Click the Type tool in the Tool bar to select it.

Click and drag a box outline in your drawing. An example is shown below.

Click once inside the bounding box that you just drew. This will place your cursor in the correct position.
Adding Text to a Custom Shape

Click the Shape tool on the Tool bar and select any vector shape. The Shape tool options are illustrated on the right.

If you select Custom Shape Tool you can select a special shape and further customize it on the Options bar at the top of the work space. To discover the many shapes that are available, click the expansion arrowhead next to the Shapes thumbnail. The arrowhead is shown on the right. Then select the settings button to view choices.

The illustration below shows many of your choices.
Left click and drag your custom shape. In the example below we are drawing a dog.

Click the Type tool in the Tool bar to select it. 

Place the Type tool inside the shape. The cursor will turn to an I-beam with a dotted circular outline around it. Now you can either type or paste your text. It will stay inside the shape as shown below.

You can customize your shape using the settings on the Options bar.

Below is an example of the same shape with different fill and stroke settings. The text was changed to black.

You can also draw your own shapes.
Create a new layer in the Layers panel.

Select the Freeform Pen tool in the Tool panel. This is illustrated on the right.

Left click and draw a shape.

Click the Type tool in the Tool bar to select it.

Place the Type tool inside the shape. The cursor will turn to an I-beam with a dotted circular outline around it. Now you can either type or paste your text. It will stay inside the shape as shown below.

The text will appear in a Text layer in the normal manner. You can edit it as you would any other text with all the standard functions and options such as font choice, size, color, and more.