



## TFSA Investors: 3 High-Yield Dividend Stocks to Hold for 20 Years

### Description

Tax-Free Savings Accounts (TFSAs) accounts allow you to earn investment income – including capital gains, interest, and dividends – completely tax-free. Registered retirement savings plans are an alternative, but the contributions to them are tax-deductible. TFSA withdrawals are not taxed at all.

Holding dividend stocks in TFSA can be great for you. Holding dividend stocks that have increased its payouts over the years and high-yield dividend stocks can help you earn a lot more on your initial investment. High-yield dividend stocks in TFSA can also be an excellent way for you to accumulate wealth.

Are you a TFSA investor looking for the best opportunities in dividend stocks to hold for the long term? I have highlighted three high-yield dividend stocks that you should consider keeping in TFSA for 20 years for massive income and secure a stable future for yourself.

**Bank of Nova Scotia** ([TSX:BNS](#))([NYSE:BNS](#)), **Royal Bank of Canada** ([TSX:RY](#))([NYSE:RY](#)) and **Sun Life Financial** ([TSX:SLF](#))([NYSE:SLF](#)) are the three stocks I think you should carefully consider for the promise that the companies offer in the long run.

### An underperforming bank from Canada's Big Six

The Scotiabank's yield is attractive right now due to the combination of higher dividends and lower share prices. While the bank might be a lot smaller than the two larger Canadian peers, it is not a pushover. The company has over \$1 trillion in assets. [Bank of Nova Scotia](#) is on its way to becoming a heavyweight.

The company is ramping up its position in the wealth management sector, along with the services the bank provides in Latin America. With billions invested in building a strong presence in Latin America, the bank is likely to see increased demand for investment and credit products and services in the region.

An attractive buy and hold option, investing in the Scotiabank can provide you with a substantial 5%

dividend yield – perfect for your TFSA.

## A guaranteed safe option for your TFSA

If you're starting with your TFSA and need a reliable option to buy and hold, I would strongly consider RBC. The [largest bank in Canada](#) by market capitalization, RBC has a solid foundation. Royal Bank will continue to see steady growth, as we've already witnessed in the past few decades.

Canada's banking stocks enjoy an outstanding reputation as reliable high-yielding dividend investments. RBC's recent expansion into the U.S. commercial and private banking sectors offers the kind of diversification needed to bring in more lucrative revenues for decades.

The incoming recession means that stocks for RBC are trading at a discount of \$99.38. There is a potential 12% upside to reach fair value for RBC's stocks. Buying and holding the stock in TFSA means you receive a substantial 4.22% dividend yield.

## An insurer to buy and forget

A large market capitalization stock that you should consider as a buy-and-hold option for your TFSA is [Sun Life Financial](#). Sun Life is a well-reputed name in the insurance industry. The insurance company boasts a strong network of financial intermediaries, a reliable sales agent network, and third-party marketing organizations bringing in sizeable business.

Sun Life has been able to generate safe dividends throughout the years. The company has a decent current dividend of 3.8% with a payout ratio of 53% at the time of writing.

The information mentioned above indicates that the company can easily cover dividends and still have more than enough left over for other purposes.

The performances of Bank of Nova Scotia, Royal Bank, and Sun Life do not give a 100% guarantee on the performance in the future. At this point, however, the three companies do present the most attractive high-yield dividend investments to buy and hold for the coming decade or two.

### CATEGORY

1. Bank Stocks
2. Dividend Stocks
3. Investing

### TICKERS GLOBAL

1. NYSE:BNS (The Bank of Nova Scotia)
2. NYSE:RY (Royal Bank of Canada)
3. TSX:BNS (Bank Of Nova Scotia)
4. TSX:RY (Royal Bank of Canada)
5. TSX:SLF (Sun Life Financial Inc.)

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