



Forget About the Canada Revenue Agency: Buy This Sure Winner Instead!

Description

Many other articles already discussed [how to save taxes from the Canada Revenue Agency](#), such as using TFSA's and RRSPs. Taking a step back and looking at the bigger picture, it's actually a nice problem to have to pay income taxes, as the only people that don't pay these taxes don't earn or earn a very low income.

So, let's forget about the Canada Revenue Agency for the moment.

Why not focus our energy on buying great stocks fuelled by great businesses and grow your wealth that way? Here's why I believe that **Alimentation Couche-Tard** (TSX:ATD.B) is a sure winner well worth buying and holding for decades!

A millionaire maker

Couche-Tard has spent close to 40 years building and expanding its empire of convenience stores across North America and parts of Europe via acquisitions, not to mention the 2,280 licensed Circle K stores in other parts of the world. In the process, it has turned long-term shareholders into millionaires.

Even if you had only held the growth stock for 10 years, you'd still have gotten a 12-bagger, as the stock delivered average returns of no less than 28% a year in the period! Essentially, this would have increased \$10,000 of initial investment to about \$122,000.

Couche-Tard is a true money maker. It has long been a strong converter of EBITDA to free cash flow. From fiscal 2014 to 2019, it increased EBITDA at a compound annual growth rate of 17% from US\$1.6 billion to US\$3.6 billion while boosting free cash flow by 16% per year from US\$866 million to \$1.8 billion.

The next leg of growth

Couche-Tard is ready for its next leg of growth after rapid reduction of its debt levels from the

transformative CST Brands acquisition in 2017, from which it's still realizing meaningful synergies.

Last week, the company made a bid on Caltex Australia, the largest fuel and convenience chain in the country. Although Couche-Tard hasn't yet succeeded after sweetening the deal to make a second offer, one thing is certain: Couche-Tard is ready to acquire again — and it's only a matter of time before it makes another impactful acquisition.

You see, the company has recognized the Asia-Pacific region as a massive market with great potential for the coming years, identifying multiple acquisition opportunities in the region. If the Caltex deal doesn't work out for the time being, Couche-Tard can make smaller acquisitions first and come back to it later.

Investor takeaway

Couche-Tard has a nearly 40-year track record of consolidating success, and there are still lots of international acquisition opportunities. The stock is a great business at a fair price today.

Long-term investors should consider the growth stock today for a sure win and certainly load it up on meaningful dips. The growth nature of the stock will help you [save tonnes of taxes from the CRA](#).

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