



CRA CERB Income Assistance: How to Help Yourself With Extra Income

Description

The Canada Revenue Agency (CRA) CERB program that provides \$2,000 per month income assistance is helpful. However, it's not going to last forever. If you've stashed some cash, you can get extra income right now by investing in a group of blue-chip dividend stocks. This passive income can last for a long time.

To get tax-free income and returns, consider investing these robust dividend stocks in your Tax-Free Savings Account (TFSA).

TD stock

Digital banking has never been as relevant as it is today with social distancing measures in place to reduce the spread of COVID-19. Thankfully, **Toronto-Dominion Bank** ([TSX:TD](#))([NYSE:TD](#)) has been investing in technology and promoting digital adoption for years.

Both its Canadian and U.S. retail businesses saw an increase in digital adoption. About 55% of TD's more than 26 million customers are now active digital customers.

Despite the challenging macro environment, TD stock reported fiscal year-to-date adjusted earnings of more than \$4.6 billion (or \$2.51 per share), which equated to a payout ratio of about 63%. This was sufficient to keep its dividend safe.

The top North American bank maintains a strong balance sheet. Its Common Equity Tier 1 ratio is 11% is more than twice the suggested regulatory minimum of 4.5%. TD's liquidity coverage ratio of about 135% is also more than enough.

However, to be prudent, [TD](#) is planning to maintain its dividend for now. It will likely resume dividend growth when the macro environment improves.

July is a good time to accumulate shares in TD stock, while it offers a yield of more than 5%.

TC Energy stock

The COVID-19 pandemic reduced energy demand. Consequently, a reopening of the economy can lift energy demand. If there's a safe energy stock to invest in, it'd be **TC Energy** ([TSX:TRP](#))([NYSE:TRP](#)).

The energy company operates gas and liquids pipelines as well as power assets. The EBITDA diversification is about 68% in natural gas pipelines and 23% liquids pipelines. TC Energy's essential energy services have allowed it to continue operating during the period of the pandemic.

The year 2020 marks TC Energy's 20th consecutive year of dividend growth. Currently, it expects to increase its dividend by 8-10% in 2021 and 5-7% per year thereafter.

It has a significant capital program to grow its businesses through 2023, including \$43 billion worth of secured projects of which about 14% are meant to complete this year.

The Canadian Dividend Aristocrat is compelling for its 5.7% yield. In fact, analysts believe that TC Energy stock is attractively priced, with no downside risk in the near term. The average 12-month price target suggests more than 25% upside.

The Foolish takeaway

TD stock and TC Energy are blue-chip stocks you can trust. Due to COVID-19 disruptions to the economy, the dividend stocks are trading at discounted levels for long-term investment.

As the economy normalizes over the next few years, their stocks should recover to much higher levels, leading to hefty price appreciation. Meanwhile, between the two stocks, buyers today can get an average yield of roughly 5.5%.

By buying and holding TD and TC Energy stocks in your TFSA, you're helping yourself to some [extra income](#) that's tax free and will securely grow in the long haul.

CATEGORY

1. Bank Stocks
2. Dividend Stocks
3. Energy Stocks
4. Investing
5. Stocks for Beginners

TICKERS GLOBAL

1. NYSE:TD (The Toronto-Dominion Bank)
2. NYSE:TRP (Tc Energy)
3. TSX:TD (The Toronto-Dominion Bank)
4. TSX:TRP (TC Energy Corporation)

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