How to Earn $100/Month Without Impacting CRA's CERB Payments

Description

Are you collecting the Canada Emergency Response Benefit (CERB) and are looking for a way to generate more income without impacting your CERB eligibility? The good news is there's an easy way to do that. Below, I'll show you how you can earn additional income without having to worry about whether you're violating one of the criteria to be eligible for CERB.

Currently, individuals receiving CERB can earn as much as $1,000 in employment or self-employment income during a four-week benefit period and still be eligible for the payments.

One way to earn extra cash without impacting any type of employment income is through your tax-free savings account (TFSA). The one requirement is that you'll need to have some savings stashed away to make this work. But if you do, it can be an easy way to bring in some extra cash and not worry about the Canada Revenue Agency (CRA) calling because you've made too much and need to pay back CERB.

Income earned inside a TFSA is also not taxable, meaning that unlike CERB payments, you won't need to worry about paying taxes on that extra cash, either.

A top REIT to put in your TFSA for monthly income

If you've got money available to put into a TFSA, then all that's left is to pick the stock(s) you want to invest in. Real estate investment trusts (REITs) are great income-producing stocks to put in your portfolio as they normally pay dividends on a monthly basis and they're also obligated to pay out at least 90% of their earnings out to shareholders.

A great REIT to put in your TFSA is **RioCan Real Estate Investment Trust** (TSX:REI.UN). The stock currently pays investors a monthly dividend of $0.12 per share. Prior to the March market crash, the stock was trading at over $27 and its dividend yield would have been around 5%. However, with the stock going over a cliff and trading closer to $15 in recent weeks, the yield's been up well over 9% per year.

Even if the REIT suffers some bumps in its bottom line due to the COVID-19 pandemic and businesses not paying rent, those are still temporary problems. As the economy recovers, that shouldn't be a concern and any RioCan's financials should be as strong as they were prior to the pandemic.

But by the time that happens, the stock will likely have recovered from this selloff and the ability to secure a significantly discounted price for RioCan's stock will also be long gone.

Suppose you were able to buy shares of RioCan at $15. They'd be yielding 9.6% annually and a $12,500 investment into the stock would be enough to earn you $1,200 in dividend income each year (assuming the payouts continue indefinitely).

With payments made every month, that would mean you'd be making $100 per month in dividends just from holding shares of RioCan and you wouldn't need a fortune to do it.

And the best part is that dividend income would not be taxable nor would it impact your CERB eligibility. The TFSA is a great tool to help build and grow your savings over the years.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:REI.UN (RioCan Real Estate Investment Trust)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
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