



## TFSA Investors: \$20,000 in This Dividend Stock Pays \$1,500/Year

### Description

It is always tempting as an investor to allocate your funds toward a growth stock, value stocks, or even funds. Some of them offer stable returns, while others present immense growth opportunities for your investment portfolio. However, if you want to become a strong investor, investing in dividend-paying stocks is crucial for your portfolio.

Investing in a decent [dividend stock](#) means you can benefit from the company's capital gains *and* get additional cash in your account through its dividends each quarter or every month. The passive income is bonus money that you can use to reinvest, add to your household income, or even to pay down debt.

Amid a pandemic, any additional income can be of massive help for you to stay afloat. Investing in a portfolio of high-yield and reliable dividend payers can help you create substantial passive income. Storing the portfolio in your Tax-Free Savings Account (TFSA) can help you grow your wealth safely protected from the clutches of the Canada Revenue Agency (CRA).

### High-yield dividend stock

Creating substantial passive income through your TFSA takes a lot of discipline, and you need to choose the right companies to earn enough. There are several dividend-paying companies trading on the **TSX** right now. However, not every stock can provide you with reliable dividends. It is crucial that you choose to invest in the right companies.

**Brookfield Property Partners** ([TSX:BPY.UN](#))(NASDAQ:BPY) is a stock that could be ideal for your dividend-income portfolio. It is a solid company that can bring in substantial income for you over the years if you hold it in your TFSA.

Brookfield Property Partners is trading for \$16.78 per share at writing and is paying its investors at a juicy 7.51% dividend yield. Typically, such a high yield should raise eyebrows because not every company can continue financing such a payout.

Regardless, it seems like an exciting opportunity because allocating \$20,000 of your TFSA contribution

room to Brookfield Property Partners can earn you a little over \$1,500 per year through dividends alone.

Generally, a high dividend yield should make you more cautious about investing in the shares of a company. Fortunately, Brookfield Property Partners has the kind of background that can inspire investor confidence.

Backed by **Brookfield Asset Management**, BPY presents an excellent opportunity for dividend income seekers. Brookfield Asset Management is an investment firm that has been around for more than 120 years and has trillions of dollars to cushion any falls for itself or its subsidiaries like Brookfield Property Partners.

## Foolish takeaway

Investing in a portfolio of dividend-paying stocks and storing the portfolio in your TFSA can help you earn significant passive income. You can use the [tax-free passive income](#) for several purposes, or just reinvest it to unlock the power of compounding to accelerate the growth of your wealth.

Brookfield Property Partners could be an ideal stock to begin building such a portfolio due to its high-yield and reliable payouts.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

1. TSX:BN (Brookfield)

### PARTNER-FEEDS

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