



## Retirees: 1 Trick That Will Max Out Your CPP

### Description

The closer you get to retirement, the closer the impending question gets: am I ready? Is it time to retire? Do you have enough cash? Will I collect enough of my pension? All these valid questions come into play once you decide to quit your job and collect your pension and live off savings.

Right now, the average age of retirement remains at around 65. Many pensions you can start collecting at around 60, and that sounds great! You can retire early, and have that extra cash from the government to make up the difference in your savings.

But here's the thing. If you're able to either live off your savings or retire closer to 70, it can make an [enormous](#) difference. Especially when it comes to your Canada Pension Plan (CPP). For every year you're able to delay your pension, you get an extra 8.4%.

### How much?

The average CPP payment for this year is \$710.41 per month. So let's say you're getting that from the government. That certainly is not enough to live on, and adds up to \$8,524.92 for the year. However, let's say you were to wait until 70. You simply add 8.4% for every year of the decade you waited to take that cash. Suddenly, that \$8,524.92 has turned into an incredible \$19,097.79! That's \$1,591.48 per month!

Granted, about \$19,000 is still not enough to live on. But you now have so much more money to work with. Now more than every, you'll need to start considering your investments. You'll need to consider them now, so that you'll be prepared to retire when you put off your pension. And you'll need them for later, when you can use that pension cash to continue investing and bringing in returns.

### Buy big dividends

Big can mean blue-chip, and that goes for a company like **Suncor Energy Inc.** ([TSX:SU](#))([NYSE:SU](#)). Suncor is beaten down right now thanks to the hemorrhaging oil and gas industry. However, there will

be a day that this industry comes back. When it does, Suncor will be in the lead as Canada's largest fully integrated energy company.

So right now you can buy this company for a steal. While you wait for returns, you can take advantage of the Suncor stock's 5.27% dividend yield. The company already cut the yield, so that means there will likely be a huge lift in dividend price after this economic downturn is over. Right now, a \$34,000 investment in Suncor would bring in \$1,785 per year in dividends!

## Buy big returns

You'll also want some companies pretty much guaranteed to bring in [returns](#). That would be a company like **WELL Health Technologies Corp.** ([TSX:WELL](#)). This company is in acquisition mode, creating a powerhouse of telehealth and virtual spaces for patients to connect with healthcare professionals. It ranges from psychologists to physicians and everything in between.

Yet the company is still far below where it could be in share price. As it continues to expand and bring in revenue from its acquisitions, shares will only go higher. In the past year, shares have grown an amazing 456% as of writing! But still cost only about \$8 per share. If it were to perform similarly over the next year, a \$34,000 investment could turn into a whopping \$150,790!

## Foolish takeaway

So here's what you have now that you've waited until 70. You have \$19,097.79 per year in CPP payments. You have \$150,790 (at least) in returns. And you have \$1,785 in annual dividends. That would give you a grand total of \$171,672.79 in your bank, or \$14,306.07 to live off per month. I think you can live off that, don't you?

### CATEGORY

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2. Investing

### TICKERS GLOBAL

1. NYSE:SU (Suncor Energy Inc.)
2. TSX:SU (Suncor Energy Inc.)
3. TSX:WELL (WELL Health Technologies Corp.)

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