Canada Revenue Agency: Earn $444/Month TFSA Income the CRA Won't Touch

Description

The Tax-Free Savings Account (TFSA) may perhaps be the single greatest opportunity for Canadian investors to grow wealthy. Want to increase your investment returns annually by as much as 10%, 20%, or 30%? Well, then pay no tax on your gains, dividends or interest earned.

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Boost your returns by maximizing your TFSA

In any normal setting, this is impossible (and/or illegal). Yet in one sweet exception, the CRA has authorized the TFSA as a means for Canadians to compound their hard earned wealth, completely tax-free! While there are some specific rules related to TFSA investing, it is generally straightforward and easy for Canadians to use.

If you were 18 years of age or older in 2009, you can actually contribute $69,500 to the TFSA right now (if you haven't contributed any yet). Next year that contribution amount will increase by $6,000, so the opportunity just gets sweeter as the years go on. The point is, don't wait. Time (and reinvesting *most* or *all* of your returns) is an investor's best ally when it comes to compounding wealth.

Boost your income with this top Canadian stock

Are you looking today for an attractive income stream out of your TFSA? This top Canadian stock, in any TFSA portfolio can give investors a meaningful income boost. In fact, you could earn as much as $444 per month on average if you buy this top Canadian stock now.

Put $69,500 to work in **Enbridge** (TSX:ENB)(NYSE:ENB) today and you could earn $5,330 a year in dividends alone. This TFSA stock is yielding an attractive 7.67% dividend. Yet, I don't think it will stay that way forever. Enbridge is one of North America's largest transporters of oil and natural gas.

The oil and gas sector has been massively under pressure for many years. Yet, the pandemic shutdowns and subsequent oil price war felt like the nail-in-the-coffin for the energy industry. Subsequently, Enbridge's stock collapsed 50% and the stock was yielding almost 9%!

Yet, regardless of the collapse in oil, Enbridge actually has a very stable business model. Its pipeline and utility assets are essentially toll roads. Also, 98% of its cash flows are either regulated or protected by long-term contracts. The reality is, regardless of the price of oil, oil producers still need to get their production to market. They still need pipelines in good markets or bad. Despite oil prices consistently dropping over the past five years, adjusted EBITDA has continued to grow for Enbridge.

Boost your wealth with this "bright" TFSA stock

As well, 53% of Enbridge's business is derived from transporting oil liquids. Yet, the remainder is focused on natural gas transmission, distribution, and renewable power. While renewables make up just 5% of its operations, it still a substantial green power producer. It has over 4,600 MW of renewable power production in operation or under development.

The company is positioned to be a major player in the green energy transition. It is expanding in low-carbon opportunities such as renewable natural gas, hydrogen power, blended natural gas, and carbon capture.

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It is currently completing a $16 billion capital growth plan, which should accrete 4-5% distributable cash flow per share growth for at least the next three years. Combine this with an already stable energy toll business and I think this TFSA tock still powers a bright future ahead for shareholders.

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