



TFSA Investors: 3 Dividend Stocks to Buy Today

Description

The Tax-Free Savings Account (TFSA) has become an increasingly popular financial vehicle for Canadian investors to help them achieve a wide range of short-, medium-, and long-term financial goals. The account offers tax-sheltered growth for investors, allowing investors to generate returns from their investments in the account without incurring any taxes for the Canada Revenue Agency (CRA) to collect.

The government began the TFSA to encourage better savings practices among Canadians. With each passing year, the CRA increases the contribution room in the account. After the 2021 update, the cumulative TFSA contribution room since its inception is \$75,500.

You can use the contribution room to hold cash inside your TFSA to generate interest income. However, [a far better way to use the TFSA](#) could be to use it to create a portfolio of income-generating assets that consistently keep adding more cash to your account balance. Provided you make the right stock picks, you can create a substantial passive-income stream that can offer you the opportunity to become a much wealthier investor in the long run.

I will discuss three dividend stocks that you could buy today and hold in your TFSA for this purpose.

Northwest Healthcare Properties REIT

Northwest Healthcare Properties REIT ([TSX:NWH.UN](#)) can be an excellent choice for your TFSA portfolio because it pays monthly dividends. The company owns, develops, and operates a diverse portfolio of healthcare properties throughout Canada, Europe, Brazil, and several other countries. NWH plans to expand its presence in Europe through acquisitions in the Netherlands. It also plans to fully acquire the Australian Unity Healthcare Property Trust to establish a strong presence in Australia.

Its properties enjoy a prolific 97% occupancy rate. Its rent-collection rate is over 98%, allowing the REIT to generate predictable and consistent cash flows to fuel its growth and fund its monthly payouts.

Enbridge

Enbridge ([TSX:ENB](#))([NYSE:ENB](#)) is an energy infrastructure company that has seen rough times during the pandemic but managed to retain its 26-year dividend-growth streak. The company has been paying shareholders their dividends for the last 66 years without interruptions.

Generating most of its cash flows through long-term contracts or rate-regulated assets, Enbridge is a midstream energy infrastructure company that managed to offset the uncertainty brought on by volatile commodity prices during the pandemic. Its [stable cash flows](#) allowed the company to increase its payouts to shareholders comfortably.

The company plans to invest \$17 billion in the next couple of years to expand its regulated assets and provide a further boost to its cash flows, making it an ideal asset to consider adding to your dividend income portfolio.

Pembina Pipeline

Pembina Pipeline ([TSX:PPL](#))([NYSE:PBA](#)) can be another excellent stock pick for your dividend income portfolio, as the oil demand continues to surge. Oil prices have started increasing with several global economies reopening, and the rising demand for air travel. The energy transportation company can generate better returns, as its asset-utilization rate improves amid the rising demand.

The company is currently focusing on acquiring **Inter Pipeline**. The deal could become a massive boon for Pembina Pipeline, allowing it to expand opportunities to generate more cash flow while providing significant cash savings. Considering its growth prospects and industry tailwinds, it could be [an ideal asset to own for the long run](#).

Foolish takeaway

You can create a portfolio of dividend stocks in your TFSA to generate passive income that can supplement your active income. You can also reinvest the dividends to unlock the power of compounding and accelerate your wealth growth for your retirement nest egg. The possibilities are endless.

Pembina Pipeline stock, Enbridge stock, and Northwest Healthcare Properties REIT could be ideal additions to your TFSA portfolio to help you achieve your investment goals.

CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing

TICKERS GLOBAL

1. NYSE:ENB (Enbridge Inc.)

2. NYSE:PBA (Pembina Pipeline Corporation)
3. TSX:ENB (Enbridge Inc.)
4. TSX:NWH.UN (NorthWest Healthcare Properties Real Estate Investment Trust)
5. TSX:PPL (Pembina Pipeline Corporation)

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