



## Retire a Millionaire With These 3 Simple Investing Tips

### Description

Many Canadians dream of retiring as millionaires. Unfortunately, most dreamers limit their dreams to being daydreams rather than taking proactive measures to fulfill those dreams. Retiring a millionaire is a dream that many people can achieve.

Stock market investing with a consistent, patient, and disciplined approach can help you unlock the potential for wealth growth that could see you retire as a millionaire. From taking advantage of tax-advantaged accounts to [dividend investing](#) with the right income-generating assets, I will discuss three simple investing tips that can help you become a millionaire.

### 1. Use tax-advantaged accounts

A proper retirement plan to generate significant savings for your retirement nest egg is a crucial part of achieving your long-term financial goals. Canadian retirees have access to the Canada Pension Plan (CPP) and Old Age Security (OAS) pension programs to earn retirement income. However, these pension programs are designed to only partially replace your income when you stop working.

The Registered Retirement Savings Plan (RRSP) and the Tax-Free Savings Account (TFSA) are two tax-advantaged accounts designed to encourage better savings practices. The RRSP offers tax-deferred growth for your assets held in the account and allows you to claim tax deductions for any contributions you make to your RRSP in a given fiscal year.

You make TFSA contributions through after-tax dollars, and any investments held in the account can grow tax-free. You can even enjoy tax-free withdrawals from this account. Focus on maximizing the contribution room in your registered savings accounts to enjoy significant long-term returns and invest in normal savings accounts only after you no longer have available contribution room in the TFSA and RRSP.

### 2. Automate your contributions for your retirement nest egg

The next investing tip to follow if you want to retire a millionaire is to set an auto-debit to your retirement savings. Perform a thorough audit of your monthly income and expenses to decide how much you can comfortably set aside every month to contribute to your nest egg.

Once you determine the amount, count the monthly contributions as a necessary expense and set up an auto-debit to consistently contribute to your retirement fund without worrying about having to consciously set aside money each month.

### 3. Begin investing immediately

It is crucial to start investing as early as possible to make the most of your investment capital right now and become a millionaire by the time you stop working. The younger you are, the more flexibility you might have to allocate funds to growth stocks. The older you are, the more you should reduce your exposure to high-risk and high-growth assets and contribute more toward stable income-generating stocks.

### A dividend stock to consider

[Canadian Dividend Aristocrats](#) on the **TSX** are some of the most resilient income-generating assets you can rely on for virtually guaranteed passive income that can keep pace with inflation. **BCE** ([TSX:BCE](#))([NYSE:BCE](#)) stock could be an excellent stock you can consider investing in for this purpose.

The \$58.23 billion market capitalization communications giant has been paying shareholder dividends since 1881 without missing a payment, making it one of the oldest dividend-paying stocks on the stock market. The stock has also increased its shareholder dividends at a compound annual growth rate of 6.4% for the last 12 years.

### Foolish takeaway

With the advent of 5G technology and its industry-leading position in the Canadian 5G space, BCE stock might see a significant boost to its financials and overall performance on the stock market in the coming years. A stronger performance might translate to even more dividend hikes in the coming years atop capital appreciation.

BCE stock is trading for \$64.08 per share at writing and boasts a juicy 5.46% dividend yield. Buying and holding its shares, reinvesting the dividends, and consistently increasing your position in the company could unlock the power of compounding and [accelerate your wealth growth](#) to make you a millionaire Canadian retiree in a few decades.

#### CATEGORY

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2. Investing

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adamothonman

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