



TFSA Investors: 2 Income Stocks to Buy Today

Description

The Tax-Free Savings Account (TFSA) has become a popular investment vehicle for Canadian investors for a variety of short- and long-term financial goals. [TFSA investing](#) with a portfolio of income-generating assets is one of the best ways to use the tax-advantaged account to generate returns on your investments that you can keep without incurring an income tax on your earnings.

Despite the **S&P/TSX Composite Index** trading near its all-time highs at writing, it is also possible for you to find high-quality **TSX** dividend stocks trading for reasonable valuations. Today, I will discuss two TSX stocks that you could consider buying if you want to start creating a portfolio of [dividend stocks](#) that can provide you with stellar returns through capital appreciation and shareholder dividends.

Fortis

Fortis ([TSX:FTS](#))([NYSE:FTS](#)) is a no-brainer pick for many Canadian investors who are looking for income-generating stocks for their portfolios. The Canadian utility holdings company has a 48-year dividend growth streak, and it is just a couple of years away from becoming a Canadian Dividend King.

The company owns and operates several natural gas and electric utility businesses in Canada, the U.S., and the Caribbean, serving around 3.4 million customers. Most of its revenues come through highly rate-regulated and long-term contracted assets. It means that Fortis can generate predictable cash flows that virtually guarantee its ability to fund its growing shareholder dividends.

At writing, the stock is trading for \$56.53 per share and boasts a juicy 3.79% dividend yield.

Brookfield Renewable Partners

Brookfield Renewable Partners ([TSX:BEP.UN](#))([NYSE:BEP](#)) is another solid income stock that you can consider adding to your TFSA portfolio to enjoy tax-free dividend income. The renewable energy stock also offers more value to long-term investors looking for high-quality assets trading for attractive valuations.

Brookfield Renewables stock saw its share prices soar with the announcement from the White House regarding greater investments in the burgeoning sector. Its share prices have since declined to 2020 levels because the promised investments have not yet arrived.

There is still an increasing global interest to shift to green energy, and Brookfield Renewables stock is one of the leading entities in the Canadian renewable energy space. It could be an excellent store of value for investors bullish on the green energy industry, especially at its current levels.

At writing, the stock is trading for \$47.53 per share, down by almost 16% year to date and boasts a juicy 3.18% dividend yield.

Foolish takeaway

Fortis stock and Brookfield Renewables stock could be considered solid investments for a wide range of investment portfolios. If you are a TFSA investor who wants to create an income-generating portfolio in your account that can also provide you with [wealth growth](#) through capital gains, these two assets could be ideal for you to consider.

Buying the shares of these two companies and holding them for the long run could see you generate significant wealth through shareholder dividends and capital appreciation for decades to come.

CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing

TICKERS GLOBAL

1. NYSE:BEP (Brookfield Renewable Partners L.P.)
2. NYSE:FTS (Fortis Inc.)
3. TSX:BEP.UN (Brookfield Renewable Partners L.P.)
4. TSX:FTS (Fortis Inc.)

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