



TFSA Investors: Earn \$202/Month Through These 2 Top Dividend Stocks

Description

The Tax-Free Savings Account (TFSA) has been one of the best investment vehicles for Canadians since the account type was introduced in 2009. Each year, the government adds more contribution room, letting you store more of your investments in the tax-advantaged account. After the 2022 update, the cumulative TFSA contribution room since its inception stands at \$81,500.

[TFSA investing](#) can serve several purposes for you. You can use the account type to create a secondary retirement nest egg. The account is quite flexible, and you can withdraw money from your TFSA without incurring any early withdrawal penalties or income tax. It means that you can also use the account to generate a monthly passive income that doesn't move you to a higher tax bracket.

Provided that you have the contribution room and investment capital to spare, here are two dividend stocks that you could [store in your TFSA](#) to boost your monthly income.

Enbridge

Enbridge Inc. ([TSX:ENB](#))([NYSE:ENB](#)) is a \$103.06 billion market capitalization giant in the Canadian energy industry headquartered in Calgary. The energy infrastructure company boasts an extensive pipeline network that transports a significant chunk of all the natural gas and crude oil used in North America, playing an important role in the economy.

Enbridge stock is also a reliable dividend stock with an extensive track record that it has maintained throughout the pandemic.

Enbridge has also started making inroads within the renewable energy industry for a brighter future as the world phases out fossil fuels. Enbridge stock trades for \$50.87 per share at writing, and it boasts a juicy 6.76% dividend yield. Investing \$20,000 in Enbridge stock could provide you with \$1,352 per year through shareholder dividends alone, translating to \$112.66 per month.

BCE

BCE Inc. ([TSX:BCE](#))([NYSE:BCE](#)) is a \$59.03 billion market capitalization giant in the Canadian telecom industry that hardly requires any introductions. The leading telco in Canada, BCE has a substantial reach through its extensive infrastructure. The company has also accelerated its capital spending to upgrade to 5G and provide coverage to more Canadians.

The Canadian Dividend Aristocrat has increased its shareholder dividends at a compounded annual growth rate of 4.1% in the last decade, and it looks well-positioned to continue dividend hikes. BCE stock trades for \$64.96 per share at writing, and it boasts a juicy 5.39% dividend yield. Investing \$20,000 in BCE stock could provide you with \$1,078 per year through shareholder dividends alone, translating to \$89.83 per month.

Foolish takeaway

Dividend investing in your TFSA can be an excellent method to generate more income by making your investment capital work for you. If you have the contribution room to spare and you can invest \$20,000 in Enbridge stock and BCE stock each, you can earn \$202.49 per month tax-free through shareholder dividends.

In an ideal world, allocating your investment capital to these two stocks alone could provide you with a significant boost to your income through shareholder dividends. However, you should diversify your capital across several [income-generating assets](#) to reduce your capital risk. Remember that it's crucial to invest in stocks with a reputation for reliably paying shareholder dividends if you want to create a passive income stream in your TFSA.

Enbridge stock and BCE stock are both reliable dividend payers you could consider for this purpose.

CATEGORY

1. Dividend Stocks
2. Investing

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3. TSX:BCE (BCE Inc.)
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