



## TFSA Passive Income: \$81,500 to Earn While You Sleep

### Description

The Tax-Free Savings Account (TFSA) total lifetime, [cumulative limit](#) refers to the contribution room that has accumulated from 2009 to 2022. Canadians who were at least 18 years old in 2009 but never opened a TFSA before would have an available contribution room of \$81,500 this year.

Account holders take advantage or maximize the yearly contribution limits to the [registered investment account](#) because money growth is tax-free. Withdrawals are likewise tax-exempt. Most TFSA investors prefer dividend stocks over other eligible assets because of higher returns and recurring income streams.

If you want to be worry-free and earn while you sleep, you have three outstanding choices. The **Toronto Dominion Bank** ([TSX:TD](#))([NYSE:TD](#)), **Imperial Oil** ([TSX:IMO](#)), and **Canadian Utilities** ([TSX:CU](#)) are buy-and-hold forever stocks. Dividend payments should be rock-steady regardless of the economic environment.

### No-brainer choice

Toronto Dominion Bank, or TD, has endured the harshest recessions and financial meltdowns, including the 2020 health crisis. The dividend track record of this \$184.66 billion bank will be 165 years long this year. In the last 49.16 years, the bank stock's total return is 45,184.51% (13.25% CAGR).

On January 7, 2022, the [Big Six bank stock](#) has finally breached the \$100 mark and currently trades at \$100.22 per share (+4.72% year-to-date). With the 13% dividend hike announcement in December 2021, expect the annual yield to be around 3.56% starting the end Q1 fiscal 2022 (quarter ended January 31, 2022).

TD's Group President and CEO, Bharat Masrani, said that despite the second year of pandemic-related disruption, TD's diversified business model delivered continued growth and shareholder returns in fiscal 2021. Net income rose 20.20% to \$14.29 billion versus fiscal 2020.

The most recent news from TD is the plan to hire 2,000 people to fill new technology positions in 2022.

Management believes the focus on technologies and processes should drive investments and power the future of banking at the same time. Currently, there's an industry-wide focus on attracting and retaining people with technology skills.

## Impressive payout records

Imperial Oil is a rock-solid investment option for TFSA investors because of its dividend track record (over 140 years) and dividend growth streak (26 consecutive years). At \$52.11 per share (+14.23% year-to-date), the dividend yield is a decent 2.09% dividend.

The \$30.87 billion company is a subsidiary of American oil giant **ExxonMobil**. Management will present its Q4 2021 results next week, but at this point, industry analysts expect significant increases in quarterly revenues (+120.9%) and earnings (+5,600%) versus Q4 2020. Based on analysts forecasts, the price could still climb by 20.9% in 12 months.

## First TSX dividend king

A dividend king is a company that has successfully raised its dividend for 50 consecutive years. Canadian Utilities will become the first TSX dividend king. The \$9.71 billion diversified global energy infrastructure company has raised its dividends for 49 consecutive calendar years.

On January 15, 2022, management announced a dividend increase effective March 1, 2022. Besides the dividend hike, the board of directors approved the return of the dividend reinvestment program effective January 13, 2022. If you invest today, the share price is \$36.18, while the dividend yield is a lucrative 4.91%.

## Sleep soundly

TD, Imperial Oil, and Canadian Utilities are among the best for TFSA investors. You can sleep soundly at night and not mind the market noise.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

1. NYSE:TD (The Toronto-Dominion Bank)
2. TSX:CU (Canadian Utilities Limited)
3. TSX:IMO (Imperial Oil Limited)
4. TSX:TD (The Toronto-Dominion Bank)

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