



TFSA Investors: Earn Tax-Free Passive Income of \$345/Month With These 4 Dividend Stocks

Description

For 2022, the Canadian Revenue Agency has kept the contribution room for the TFSA (Tax-Free Savings Account) unchanged at \$6,000, with the cumulative contribution increasing to \$75,500. So, by investing the entire amount in [stocks](#) that pay dividends of 5.5%, investors can earn a tax-free monthly passive income of \$345. So, if you like to earn a stable passive income, here are four Canadian stocks that pay monthly dividends with yields above 5.5%.

Pembina Pipeline

With a forward dividend yield of 6.33%, **Pembina Pipeline** ([TSX:PPL](#))([NYSE:PBA](#)) is my first pick. The company operates a highly regulated business, with around 90% of its adjusted EBITDA generated from long-term contracts, thus stabilizing its financials and cash flows. These robust cash flows have allowed the company to pay dividends uninterrupted since 1997.

Meanwhile, Pembina Pipeline has a [strong pipeline of projects](#). It hopes to put \$900 million of projects into service this year while also having around \$4 billion of projects in the developmental stage. The rising energy demand could increase its asset utilization, driving its financials. So, given its healthy growth potential and solid underlying business, I believe Pembina Pipeline's dividend is safe.

NorthWest Healthcare Properties REIT

NorthWest Healthcare Properties REIT ([TSX:NWH.UN](#)) pays a monthly dividend of \$0.0667 per share, with its forward yield standing at a juicy 5.97%. The company owns and operates 192 healthcare properties spread across Canada, Australia, New Zealand, Brazil, the United Kingdom, and Germany. Given its defensive and diversified portfolio, its occupancy and collection rate remains high, irrespective of the economic cycle. Its long-term contacts and government-backed tenants also stabilize its financials, thus allowing it to pay a dividend at a healthier rate.

Meanwhile, NorthWest Healthcare has around \$1 billion of projects in the pipeline. It is also working on closing acquisitions to increase its presence in Europe, Australia, and Canada. Additionally, it strengthened its financial position by raising around \$200 million in June through new equity offerings. So, given its stable cash flows, healthy growth prospects, and attractive yield, [NorthWest Healthcare would be an excellent buy for income-seeking investors](#).

Keyera

My third pick is **Keyera** ([TSX:KEY](#)), an energy infrastructure company that services oil-producing companies in Western Canada. With rising oil prices, exploration and production activities have increased, raising the demand for the company's services. Amid growing demand, Keyera plans to invest around \$560 million to expand its asset base.

It is also continuing with the construction of the KAPS pipeline project, which could become operational early next year. So, the company's growth prospects look healthy. Also, the company earns around 70% of its cash flows from fee-for-service or take-or-pay contracts, thus delivering stability to its cash flows. So, supported by its robust cash flows, Keyera has raised its dividends at a CAGR of 7% since 2008.

Given its excellent track record, healthy growth prospects, and strong liquidity of \$1.6 billion, Keyera is well positioned to continue raising its dividends. Meanwhile, its forward yield currently stands at a healthy 6.59%.

Pizza Pizza Royalty

My final pick is **Pizza Pizza Royalty** ([TSX:PZA](#)). It operates Pizza Pizza and Pizza 73 brand restaurants through franchisees. Its highly franchised business model generates predictable and stable cash flows, allowing it to pay dividends at a healthier rate. Currently, it pays a monthly dividend of \$0.06 per share, with its forward yield at 5.51%. Meanwhile, Pizza Pizza Royalty had strengthened its digital, delivery, and pick-up channels amid the pandemic, which could continue to boost its financials in the coming quarters.

Further, improving economic activities, increasing vaccination, and reopening dining spaces could also boost the company's financials in the coming quarters. Additionally, the company is also focusing on product innovation and effective marketing campaigns to drive its financials. So, Pizza Pizza's growth prospects look healthy.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:PBA (Pembina Pipeline Corporation)
2. TSX:KEY (Keyera Corp.)
3. TSX:NWH.UN (NorthWest Healthcare Properties Real Estate Investment Trust)

4. TSX:PPL (Pembina Pipeline Corporation)
5. TSX:PZA (Pizza Pizza Royalty Corp.)

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