



Passive-Income Investing: How to Churn Out Over \$460/Month TAX FREE!

Description

The Tax-Free Savings Account (TFSA) has developed into the most popular registered account, largely due to its potential as a growth vehicle. However, it is also underrated as a [passive-income generator](#). When you snatch up the right dividend stocks in your TFSA, you can count on consistent income that will be 100% tax free. That is worth getting excited about. Today, I want to discuss how you can generate over \$450/month in tax-free passive income going forward. In our hypothetical, we will be using all the cumulative contribution room in our TFSA. Let's dive in.

This energy stock provides a big punch for your passive-income portfolio

Energy stocks had a fantastic first half in 2022, bolstering the energy-heavy Canadian markets. However, oil and gas prices have softened since the beginning of the summer. That does not mean investors should turn from equities like **Keyera** ([TSX:KEY](#)). This energy stock can be a great source of passive income going forward.

The company reported adjusted EBITDA of \$257 million in the first quarter of 2022 — up from \$225 million in the previous year. Net earnings rose to \$114 million compared to \$86 million in the first quarter of 2021.

Keyera closed at \$29.57 per share on July 13. In our hypothetical, we will look to snatch up 920 shares of Keyera at this share price for a total of \$27,204. The stock offers a monthly dividend of \$0.16 per share. That represents a tasty 6.4% yield. This investment will let us generate monthly passive income of \$147.20 in the months to come.

Here's another dividend stock to stash in your TFSA

Superior Plus ([TSX:SPB](#)) is a Toronto-based company that is engaged in the energy-distribution business. Its shares have dropped 14% in the year-to-date period. The stock is down 26% year over

year.

In Q1 2022, the company delivered adjusted EBITDA growth of 18% to \$250 million. It bolstered its adjusted EBITDA guidance range in response to this positive report.

This dividend stock closed at \$11.25 per share on July 13. We have the room to snatch up 2,410 shares of Superior Plus for a total purchase price of \$27,112. This stock currently offers a monthly distribution of \$0.06 per share, representing a 6.4% yield. That means we can churn out monthly passive income of \$144.60 going forward.

One more energy stock to round out your passive-income generation

Freehold Royalties ([TSX:FRU](#)) is the third dividend stock I'd look to stash to build your passive-income portfolio. This Calgary-based oil and gas royalty company is focused on generating consistent income for its shareholders. Shares of Freehold have increased marginally in 2022.

This stock closed at \$12.56 on July 13. We can buy 2,160 shares of Freehold for a total purchase price of \$27,129. Freehold offers a monthly dividend of \$0.08 per share. That represents a monster 7.6% yield. We can now generate monthly passive income of \$172.80.

Conclusion

These investments will allow us to generate tax-free passive income of \$464.80 on a monthly basis.

CATEGORY

1. Investing

TICKERS GLOBAL

1. TSX:FRU (Freehold Royalties Ltd.)
2. TSX:KEY (Keyera Corp.)
3. TSX:SPB (Superior Plus Corp.)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
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