



Passive-Income Power: How to Generate \$100/Week TAX FREE for the Rest of 2022

Description

Canadian wages have failed to keep pace with the torrid pace of inflation in 2022. That has some investors scrambling to make up the difference as monthly bills are growing higher. Today, I want to discuss how you can churn out passive income of \$100/week and pay no tax on that amount whatsoever. In this hypothetical, we are going to use all our [Tax-Free Savings Account \(TFSA\)](#) room — the full \$81,500.

Here's a healthcare stock that provides passive income and is worth holding for the long haul

Extendicare ([TSX:EXE](#)) is the first [dividend stock](#) I'd snatch up to begin to build our passive-income portfolio. This Markham-based company provides care and services for seniors in Canada. Shares of Extendicare have climbed marginally in the year-to-date period. The stock is down 7.5% compared to the same period in 2021.

The company unveiled its second-quarter (Q2) fiscal 2022 results on August 9. It delivered revenue growth of 5.3% to \$296 million. Meanwhile, net operating income jumped \$1.4 million to \$30.3 million.

This stock closed at \$7.44 per share on August 18. In our hypothetical, we can snatch up 3,650 shares of Extendicare for a total purchase price of \$27,156. The stock offers a monthly dividend of \$0.04 per share. That represents a tasty 6.4% yield. This purchase will also allow us to generate monthly passive income of \$33.69. Better yet, that will be entirely tax free in our TFSA!

Don't sleep on this REIT that boasts a monster dividend

Northwest Healthcare REIT ([TSX:NWH.UN](#)) is a Toronto-based real estate investment trust (REIT) that owns and operates a global portfolio of high-quality healthcare real estate. Shares of this REIT have dropped 4.1% in 2022. The stock is still up 1.6% in the year-over-year period.

In Q2 2022, the Northwest REIT achieved revenue growth of 24% to \$111 million. Meanwhile, it delivered net asset value (NAV) per unit growth of 8% to \$14.19 while total assets under management (AUM) jumped 22% to \$10.2 billion.

Shares of this REIT closed at \$13.11 on August 18. We can purchase 2,070 shares of the Northwest REIT for a total price of \$27,137 for our scenario. The Northwest REIT offers a monthly dividend of \$0.067 per share. That represents a 6.1% yield. This investment will allow us to make tax-free passive income of \$32 on a monthly basis.

One more stock to snag to round out our passive-income portfolio

Sienna Senior Living ([TSX:SIA](#)) is the third dividend stock I'd target to complete our passive-income portfolio in the final weeks of the summer of 2022. This Markham-based company also provides senior and long-term-care (LTC) services in Canada. Its shares have plunged 8.5% in the year-to-date period.

The dividend stock closed at \$13.94 on August 18. For our final purchase, we can snatch up 1,950 shares of Sienna for a total purchase price of \$27,183. Sienna offers a monthly distribution of \$0.078 per share, representing a tasty 6.7% yield. We can now generate monthly passive income of \$35.10/week in our TFSA.

Bottom line

These investments will allow us to generate tax-free passive income of \$100.79 per week.

CATEGORY

1. Investing

TICKERS GLOBAL

1. TSX:EXE (Extendicare Inc.)
2. TSX:NWH.UN (NorthWest Healthcare Properties Real Estate Investment Trust)
3. TSX:SIA (Sienna Senior Living Inc.)

PARTNER-FEEDS

1. Business Insider
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