



## TFSA Investors: 3 Safe TSX Dividend Stocks to Buy Today and Hold for Life

### Description

The [Tax-Free Savings Account](#) (TFSA) is an ideal place to hold long-term investments. Paying zero tax on investment income (capital gains, dividends, and interest) is a wonderful way to maximize your returns and [compound wealth](#) over years and decades.

### Build TFSA wealth by reinvesting dividends

When you invest for income in your TFSA, you can collect *all* your earnings and re-invest into more stocks. The more stocks you hold, the more income you collect. The more income you collect, the more stocks you can buy.

The process causes your wealth to snowball. As the value of your TFSA portfolio grows, so too does your annual income. If you are looking for stocks that could help snowball your wealth, here are three top Canadian dividend stocks to consider right now.

### A large infrastructure stock for long-term income

If you are looking for a high-yielding [dividend stock](#) for your TFSA, **Enbridge** ([TSX:ENB](#)) is a pretty solid bet. With a market cap of \$110 billion, it is one of the largest stocks on the [TSX](#). It has a network of pipelines, utilities, export and storage terminals, and renewable power projects. Enbridge is an energy infrastructure powerhouse in North America.

It just reported [third-quarter \(Q3\) results](#), where earnings nearly doubled to \$1.3 billion. Earnings per share rose 85% to \$0.63. Distributable cash flow surged 8.7% to \$2.5 billion.

These results just affirm that Enbridge's increasingly diversified and well-balanced business is operating well. Its 6.3% dividend is well covered and should continue growing at a decent mid-single-digit rate. If all you are looking for is income, this is a solid name to hold for years ahead.

## A top telecom stock in Canada

**TELUS** ([TSX:T](#)) is another staple for any income-focused TFSA portfolio. With a market cap of \$41 billion, it is Canada's second-largest telecommunications stock. TELUS is intriguing for its attractive profile of income and growth. Its contracted data, cellular, and broadband services provide predictable cash flows.

This largely supports its 4.85% dividend. Excess cash flow has also been funneled into several growth initiatives in digital healthcare, agriculture technology, and customer experience. These areas are smaller, but they could make up a larger part of TELUS's business in the coming years.

It just reported very strong Q3 results. Revenue, adjusted EBITDA (earnings before interest, taxes, depreciation, and amortization), and earnings per share rose 10%, 11%, and 48%, respectively. TELUS also increased its quarterly dividend by 7.2%. That is its second dividend increase this year and aligned with a pattern of about 7% annual dividend growth for the past several years.

## A renewable power stock to hold for years in your TFSA

If you are looking to buy a TFSA stock with a trend that could last a lifetime, **Brookfield Renewable Partners** ([TSX:BEP.UN](#)) is definitely one to keep in mind. The transition to renewable and sustainable energy will take decades. Fortunately, Brookfield is incredibly well positioned to benefit and contribute to this trend.

Today, it has over 20 gigawatts of [renewable power](#) in operation. Yet it has a development pipeline that is more than five times that size. In the third quarter, it grew funds from operation (FFO) (its core metric of profitability) by 15.7% to \$243 million. FFO per unit increased 15% to \$0.33.

This TFSA stock earns a 4.3% dividend yield. It has grown its dividend by a 6% rate for years. Given its growth profile, this is likely to keep up for many years ahead.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

1. TSX:BEP.UN (Brookfield Renewable Partners L.P.)
2. TSX:ENB (Enbridge Inc.)
3. TSX:TD (The Toronto-Dominion Bank)

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