



## TFSA Investors: How to Max Out Before the New Year!

### Description

It continues to be remarkable to me how many Canadians still don't have a [Tax-Free Savings Account](#) (TFSA). Even more amazing is that once a Canadian has it, they remain pretty bad at making consistent contributions. And for those that can achieve it, it seems *impossible* that someone wouldn't want to max out their contribution room.

### Why would I?

The TFSA is a tax-free safe haven for all your cash. Instead of keeping your cash readily accessible and just sitting there, waiting to be spent, it can be invested to make more and more money. And this can be put towards *any* goal, rather than say retirement or education. You can use it for those means, but also as an emergency fund, debt payments, heck a wedding account! Whatever you want and it's all tax-free.

That also goes for when you choose to withdraw payments. Don't get me wrong, there are stipulations you can check on with the Canada Revenue Agency (CRA) when it comes to withdrawing and then *putting back* that cash. However, when you take out funds from the TFSA, it does not count towards your income. It's all cash you keep, tax-free.

### So how do I max out?

First, figure out how much you can actually max out. If you're starting from scratch, granted I don't have some secret way of suddenly making \$81,500 and maxing out your TFSA before the end of the year. If I find one, you'll be the first to hear about it.

But let's say you've been investing for a while and want to max out for this year's contribution room of \$6,000 before a new contribution limit comes out Jan. 1, 2023. For that, I can certainly help you. Especially if you already have funds ready to invest.

## Create some fast cash

Again, I don't have some secret way of investing and making money fast. That's risky and I'm not about to suggest this. However, it's the holiday season! And a holiday season that has left many struggling to make ends meet and get those gifts at inflated prices.

So look around and see what you can sell online. This can bring in cash incredibly fast. You can do this on a local basis, sure. But if you're able to, then choose sites that offer Canada-wide sale options. You're then more likely to find someone who needs your product, and then merely ask them to pay the shipping on the item.

You could also try and rent out items or space you have for some quick cash. This can include storage sheds, garages, attics, even hardware. Any items that people may need. There's always someone who needs to hang lights and doesn't have a ladder!

Finally, go to websites such as UpWork. This is where you can find quick and easy jobs that suit your abilities, and can take as little as an hour to achieve. Do a few of these and you'll be making enough cash to max out in no time.

## Once you do...invest!

Now that you've got the cash on hand, max out before the New Year comes! A great investment I would consider these days is **Nutrien** ([TSX:NTR](#)) as it offers the potential for strong growth, along with solid dividends.

This comes from Nutrien stock's focus on crop nutrients, as well as its growth both organically and through acquisitions. This is in part due to the sanctions against Russia, where the company has taken over the country's cheap [potash](#) production. But it's not only because of this market. Nutrien stock has created opportunities by merging a fractured industry, as well as bringing everything online. A saviour during the pandemic.

Plus, you can pick up Nutrien stock at reasonable levels after the company hit all-time highs. It now trades at a valuable 5.7 times earnings, with shares up 15% year to date. Plus, you can lock up a 2.42% dividend yield.

## Bottom line

If you want cash for the next year, then you should start investing while the market is down. There are always ways to make money, but the *easiest* is to invest and make more. So make sure you're maxing out your TFSA when you can, and getting yourself in a solid financial footing for the new year.

### CATEGORY

1. Dividend Stocks
2. Investing

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## Date

2025/08/25

## Date Created

2022/11/30

## Author

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