



TFSA: Invest \$30K in 3 Stocks and Get \$146 in Passive Income

Description

The volatility in the stock market made it tough for investors to generate capital gains in 2022. However, the top [Canadian dividend stocks](#) continued to enhance their shareholders' returns through regular payouts, making them an attractive investment to earn steady passive income. Furthermore, investors should use their TFSA (Tax-Free Savings Account) to invest in dividend stocks to earn tax-free dividend income.

But before investing, one should understand that stocks are inherently risky and dividends are not guaranteed. The [safest stocks](#) can also cut their dividends amid challenges. Thus, investors should always diversify their income portfolio and must not invest in only one or two stocks.

Against this background, let's look at the shares of the companies that are reliable bets for earning regular passive income.

TC Energy

Energy infrastructure company **TC Energy** ([TSX:TRP](#)) is a quality passive-income stock to add to your TFSA portfolio. Its long-term, contracted, and regulated assets remain relatively immune to the economic situation and generate healthy cash flows to support its dividend payouts. Moreover, about 95% of its adjusted EBITDA (earnings before interest, tax, depreciation, and amortization) comes from regulated and contracted assets, implying that its payouts are well covered.

It has raised its dividend at a CAGR (compound annual growth rate) of 7% in the last 22 years. Meanwhile, the company projects a 3-5% growth in its future dividend. Further, TC Energy stock is offering a high yield of 6.61%.

Looking ahead, its high-quality, secured projects are expected to drive its adjusted EBITDA and its payouts. Further, energy transition opportunities augur well for growth. Overall, TC Energy's solid record of dividend growth, visibility over future payouts, resilient business model, and high yield make it a reliable passive-income stock.

Enbridge

Like TC Energy, **Enbridge** ([TSX:ENB](#)) is another top bet for earning worry-free passive income for decades. Enbridge has paid dividend for over 68 years. Meanwhile, it has increased the same at a CAGR of 10% in the last 28 years. Furthermore, Enbridge stock offers a high yield of 6.72%.

The company's solid payouts are supported by its 40 diverse cash streams and contracted assets. Moreover, its multi-billion secured projects, investments in conventional energy infrastructure, and the continued expansion of renewable energy projects position it well to drive future payouts.

About 80% of its adjusted EBITDA has protection against inflation. Further, revenue escalators and a high asset utilization rate bode well for growth.

Fortis

With a dividend-growth history of 49 years, **Fortis** ([TSX:FTS](#)) is an attractive stock to generate steady passive income. It operates a regulated electric utility business that remains relatively resilient to the macro headwinds. Further, its regulated assets generate predictable cash flows that support higher dividend payouts.

Fortis expects its rate base to increase in the coming years through its \$22.3 billion capital plan. The expansion of the rate base will drive its earnings and future dividend payments. Fortis sees its rate base to increase at a CAGR of about 6.2% over the next five years. Further, its dividend is projected to increase by 4-6% during the same period. The company offers a healthy dividend yield of about 4.14%.

Bottom line

These Canadian corporations offer reliable dividends and have attractive yields, making them solid investments to generate steady passive income.

Company	Recent Price	Number of Shares	Dividend	Total Payout	Frequency
TC Energy	\$54.44	184	\$0.90	\$165	Quarterly
Enbridge	\$52.83	189	\$0.887	\$168	Quarterly
Fortis	\$54.61	183	\$0.565	\$103	Quarterly

Prices as of 12/28/22

The table above shows that a \$10K investment in each of these TSX stocks through TFSA could help earn approximately \$437 in passive income every quarter, or about \$146 per month.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:ENB (Enbridge Inc.)
2. TSX:FTS (Fortis Inc.)
3. TSX:TRP (TC Energy Corporation)

PARTNER-FEEDS

1. Business Insider
2. Flipboard
3. Koyfin
4. Msn
5. Newscred
6. Quote Media
7. Sharewise
8. Smart News
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