This paper determines the optimal ownership share held by a unit into a second unit, when both face a tax-bankruptcy trade-off. Full ownership is optimal when the first unit has positive debt, because dividends help avoid its default. Positive debt is, in turn, optimal when its corporate tax rate exceeds a threshold; and/or Thin Capitalization Rules place an upper limit on the debt level in the second unit; and/or the Volcker Rule bans bailout transfers to the second unit. Full ownership is no longer optimal only if there is a tax on intercorporate dividend. This theory rationalizes observations on multinationals, financial conglomerates and family groups.