October 10, 2016

Citizenship of LLCs and Subject Matter Jurisdiction in the Federal Courts: A Serious Concern Begging for Resolution

Jonathan Handler and David Lieberman wrote an article, "Citizenship of LLCs and Subject Matter Jurisdiction in the Federal Courts: A Serious Concern Begging for Resolution," for *Bloomberg BNA's Securities Regulation & Law Report.* The article is about how many practitioners fail to understand a key legal distinction between LLCs and corporations as it relates to their state of citizenship. In this article, the authors examine the implications of mispleaded LLC citizenship for the broader federal court system. Based upon a preliminary survey of federal court filings, Handler and Lieberman believe that a significant portion of the diversity-based, non-MDL lawsuits involving LLCs are premised on a complaint or notice of removal that does not properly set forth the LLC's citizenship, therefore calling into question the federal court's subject matter jurisdiction over the dispute.

Authors



Jonathan I. Handler
Partner

Boston, MA | (617) 345-4734

jihandler@daypitney.com