

UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF
MISSISSIPPI, NORTHERN DIVISION

Dennis A. Harkins and Yvonne Harkins v. Rift Transportation
Services, LLC, and Samwel M. Guto

Harkins · No. 3:25-CV-995-DPJ-ASH · Decided December 31, 2025

SUMMARY

The court reviewed Defendants’ removal of the case based on diversity jurisdiction and found that the allegations were insufficient to establish the citizenship of the defendant limited liability company. The court also found that Defendants had not filed the required Federal Rule of Civil Procedure 7.1 disclosure statements and ordered them to file complete disclosures and explain why the case should not be remanded.

CASE DETAILS

COURT	United States District Court for the Southern District of Mississippi, Northern Division
WRITING FOR THE COURT	Andrew S. Harris
JURISDICTION	United States District Court for the Southern District of Mississippi, Northern Division
DECIDED	December 31, 2025
DOCKET	3:25-CV-995-DPJ-ASH
DISPOSITION	other
PROCEDURAL POSTURE	Defendants removed the action from state court based on diversity jurisdiction. The court found that the current record did not establish the citizenship of every member of defendant Rift Transportation Services, LLC and that defendants had not filed the required diversity-jurisdiction disclosure statements.
STANDARD OF REVIEW	The removing defendants bear the burden of establishing that removal is proper and that diversity jurisdiction exists; jurisdictional allegations must distinctly and affirmatively establish the citizenship of the parties.
PRECEDENTIAL VALUE	Unknown; district court order with no reporter citation or stated precedential designation.

PARTIES

Rift Transportation Services, LLC, Samwel M. Guto v. Dennis A. Harkins, Yvonne Harkins

TOPICS

subject matter jurisdiction civil procedure pleadings

PRACTICE AREAS

civil procedure federal jurisdiction removal

QUESTIONS PRESENTED

1. Whether defendants adequately established complete diversity by alleging the citizenship of every member of the defendant limited liability company.
2. Whether negative allegations that no member of the LLC is domiciled in Mississippi satisfy the removing party's burden to establish diversity jurisdiction.
3. Whether defendants were required to file Rule 7.1 diversity disclosure statements with the Notice of Removal.

HOLDINGS

1. A party invoking diversity jurisdiction must specifically allege the citizenship of every member of an LLC; alleging only the LLC's state of organization, principal place of business, or the absence of Mississippi-domiciled members does not establish the LLC's citizenship.
2. Negative allegations that no LLC member is domiciled in the forum state are insufficient to satisfy the burden of the party asserting diversity jurisdiction.
3. Parties in an action invoking diversity jurisdiction must file disclosure statements identifying every individual or entity whose citizenship is attributed to the party or intervenor, including when the action is removed.

KEY QUOTATIONS

“to establish diversity jurisdiction, a party ‘must specifically allege the citizenship of every member of every LLC.’” (Order)

“Because the Court cannot determine based on the current record whether subject-matter jurisdiction exists, it directs Defendants to file complete Rule 7.1 disclosure statements by January 14, 2026.” (Order)

FACTUAL BACKGROUND

Plaintiffs alleged that they were citizens of Mississippi. Defendants alleged that Guto was a citizen of Texas and that Rift was a Texas limited liability company with its principal place of business in Texas, but did not specifically identify the citizenship of every member of Rift. Defendants also failed to file the Rule 7.1 diversity disclosure statements required upon removal.

PROCEDURAL HISTORY

On December 30, 2025, defendants removed the case to the Southern District of Mississippi under 28 U.S.C. § 1332. The court ordered defendants to file complete Rule 7.1 disclosure statements and explain why the case should not be remanded for lack of subject-matter jurisdiction, warning that noncompliance could result in remand without further notice.

DISPOSITION

other

REMAND INSTRUCTIONS

Defendants were ordered to file complete Rule 7.1 disclosure statements by January 14, 2026 and, by the same date, to respond explaining why the case should not be remanded for lack of subject-matter jurisdiction. The court warned that failure to comply could result in remand without further notice.

CASES CITED

- Mullins v. Testamerica Inc., 300 F. App'x 259, 259 (5th Cir. 2008)
- MidCap Media Fin., L.L.C. v. Pathway Data, Inc., 929 F.3d 310, 314 (5th Cir. 2019)
- Settlement Funding, L.L.C. v. Rapid Settlements, Ltd., 851 F.3d 530, 536 (5th Cir. 2017)
- Bluestone Partners, LLC v. Lifecycle Constr. Servs., LLC, No. 4:22-CV-422, 2022 WL 22695308, at *1 (E.D. Tex. July 22, 2022)

OPINION

UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF MISSISSIPPI NORTHERN DIVISION DENNIS A. HARKINS AND YVONNE HARKINS PLAINTIFFS V. CIVIL ACTION NO. 3:25-CV-995-DPJ-ASH RIFT TRANSPORTATION SERVICES, LLC, AND DEFENDANT SAMWEL M. GUTO ORDER On December 30, 2025, Defendants Rift Transportation Services, LLC, and Samwel M. Guto removed this case to this Court, invoking the Court's diversity jurisdiction under 28 U.S.C. § 1332.

In their Notice of Removal, Defendants note that the Complaint states that Plaintiffs Dennis A. Harkins and Yvonne Harkins are citizens of Mississippi. Defendants allege that Gato "is an adult resident citizen of the state of Texas." Notice of Removal [1] ¶ 9.

As to Rift, they say it is "a Texas Limited Liability Company organized under the laws of the State of Texas" with its principal place of business in Texas." Id. ¶ 7. And they aver that "[n]one of its officers or members domicile in Mississippi." Id. The allegations as to Rift do not meet Defendants' burden to show that removal is proper by "distinctly and affirmatively alleg[ing]" its citizenship.

Mullins v. Testamerica Inc., 300 F. App'x 259, 259 (5th Cir. 2008). In particular, “to establish diversity jurisdiction, a party ‘must specifically allege the citizenship of every member of every LLC.’” MidCap Media Fin., L.L.C. v. Pathway Data, Inc., 929 F.3d 310, 314 (5th Cir. 2019) (quoting Settlement Funding, L.L.C. v. Rapid Settlements, Ltd., 851 F.3d 530, 536 (5th Cir.

2017)). “[N]egative allegations of citizenship,” such as Defendants’ allegation that no members of Rift are Mississippi domiciliaries, “are insufficient to satisfy the burden of the party asserting diversity.” Bluestone Partners, LLC v. Lifecycle Constr. Servs., LLC, No. 4:22-CV-422, 2022 WL 22695308, at *1 (E.D. Tex. July 22, 2022). Additionally, Defendants have failed to comply with Federal Rule of Civil Procedure 7.1 and Local Rule 7(c), which require a nongovernmental entity to file with its initial pleading a Rule 7.1 disclosure statement.

Effective December 1, 2022, every party or intervenor in a case in which jurisdiction is based on diversity must file a disclosure statement in accordance with Rule 7.1(a)(2). That disclosure statement must name—and identify the citizenship of—every individual or entity whose citizenship is attributed to that party or intervenor: (A) when the action is filed or removed to federal court, and (B) when any later event occurs that could affect the court’s jurisdiction under § 1332(a).

Fed. R. Civ. P. 7.1(a)(2). Neither Defendant filed a Rule 7.1 disclosure statement with the Notice of Removal. Because the Court cannot determine based on the current record whether subject-matter jurisdiction exists, it directs Defendants to file complete Rule 7.1 disclosure statements by January 14, 2026. Additionally, by the same date, Defendants shall file a response to this Order that explains why the case should not be remanded for lack of subject-matter jurisdiction.

Failure to comply with this Order may result in the case being remanded with no further notice. SO ORDERED AND ADJUDGED this the 31st day of December, 2025. s/ Andrew S. Harris
UNITED STATES MAGISTRATE JUDGE