

UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF
CALIFORNIA

Arthur Reid Stephenson, et al. v. Jaguar Land Rover North America,
LLC, et al.

No. 25-cv-07732-NC, United States District Court for the Northern District of California (September 12, 2025)

SUMMARY

The United States District Court for the Northern District of California ordered Jaguar Land Rover North America, LLC to show cause why the action should not be remanded to state court for lack of subject matter jurisdiction. The court concluded that the removal papers sufficiently established the amount in controversy but failed to allege the plaintiffs’ state citizenship, as distinct from their residency, for purposes of diversity jurisdiction. Defendant was directed to respond by September 26, 2025, and plaintiffs could respond by October 3, 2025.

CASE DETAILS

COURT	United States District Court for the Northern District of California
WRITING FOR THE COURT	Nathanael M. Cousins
JURISDICTION	United States District Court for the Northern District of California
DECIDED	September 12, 2025
DOCKET	25-cv-07732-NC
DISPOSITION	other
PROCEDURAL POSTURE	Defendant removed the action from the Santa Clara County Superior Court and the district court issued an order to show cause why the case should not be remanded for lack of subject matter jurisdiction.
PRECEDENTIAL VALUE	unknown

TOPICS

- subject matter jurisdiction
- civil procedure
- interstate disputes

PRACTICE AREAS

- civil procedure
- removal jurisdiction
- diversity jurisdiction

QUESTIONS PRESENTED

1. Whether the removal papers sufficiently established federal diversity subject matter jurisdiction by alleging the plaintiffs' citizenship.
2. Whether the case should be remanded for lack of subject matter jurisdiction.

HOLDINGS

1. For purposes of diversity jurisdiction, the citizenship of a natural person is determined by domicile rather than residence; allegations of residence alone are insufficient to establish citizenship.
2. The removing defendant did not establish federal subject matter jurisdiction because it failed to provide sufficient facts alleging the plaintiffs' state citizenship; the defendant therefore was required to show cause why the action should not be remanded.

KEY QUOTATIONS

“The natural person’s state citizenship is then determined by her state of domicile, not her state of residence.”
(1)

“Federal courts are courts of limited jurisdiction.” (1)

FACTUAL BACKGROUND

Plaintiffs brought an action in Santa Clara County Superior Court, which defendant Jaguar Land Rover North America, LLC removed to federal court. The removal papers relied on plaintiffs' residence to assert diversity jurisdiction but did not allege where the plaintiffs were domiciled. The court found that the amount-in-controversy threshold was adequately supported but that complete diversity could not be assessed from the allegations.

PROCEDURAL HISTORY

Jaguar Land Rover North America, LLC removed the case to the Northern District of California on September 11, 2025. The court concluded that the removal papers sufficiently established the amount-in-controversy requirement but failed to allege facts establishing the plaintiffs' state citizenship or domicile, and ordered the removing defendant to show cause by September 26, 2025, with plaintiffs permitted to respond by October 3, 2025.

DISPOSITION

other

REMAND INSTRUCTIONS

Jaguar Land Rover North America, LLC must file a written response by September 26, 2025, explaining why the case should not be remanded to state court for lack of subject matter jurisdiction. Plaintiffs may respond by October 3, 2025.

CASES CITED

- Kokkonen v. Guardian Life Ins. Co. of Am., 511 U.S. 375, 377 (1994)
- Kanter v. Warner-Lambert Co., 265 F.3d 853, 857 (9th Cir. 2001)

OPINION

Stephenson v. Jaguar Land Rover North America, LLC

PER CURIAM.

1 2 3 4 5 6

7 UNITED STATES DISTRICT COURT

8 NORTHERN DISTRICT OF CALIFORNIA

9 10 ARTHUR REID STEPHENSON, et al., Case No. 25-cv-07732-NC 11 Plaintiffs, ORDER TO
SHOW CAUSE

12 WHY CASE SHOULD NOT BE

v. REMANDED TO STATE

13 COURT FOR LACK OF

JAGUAR LAND ROVER NORTH SUBJECT MATTER

14 AMERICA, LLC, et al., JURISDICTION 15 Defendants. Re: ECF 1 16 17 Defendant Jaguar
Land Rover North America (JLRNA) removed this case to this 18 Court from Santa Clara County
Superior Court on September 11, 2025. ECF 1. This 19 Order requires JLRNA to “show cause” by
filing a written response by September 26, 20 2025, explaining why this case should not be
remanded back to state court for lack of 21 subject matter jurisdiction. 22 Federal courts are courts
of limited jurisdiction. Kokkonen v. Guardian Life Ins. 23 Co. of Am., 511 U.S. 375, 377 (1994).
District courts have subject matter jurisdiction 24 through federal question or diversity
jurisdiction. 28 U.S.C. §§ 1331, 1332. Diversity 25 jurisdiction requires complete diversity of
citizenship and an amount in controversy greater 26 than \$75,000. 28 U.S.C. § 1332(a). 27
JLRNA claims that there is diversity of citizenship because Plaintiffs reside in 1 || Defendant
Jaguar Land Rover San Jose was not served. ECF 1 §[] 20-22. But the 2 || diversity jurisdiction
statute, 28 U.S.C. § 1332, speaks of citizenship, not residency. “The 3 || natural person’s state
citizenship is then determined by her state of domicile, not her state 4 of residence. A person’s
domicile is her permanent home, where she resides with the 5 || intention to remain or to which she
intends to return... A person residing in a given state 6 is not necessarily domiciled there, and thus
is not necessarily a citizen of that state.” 7 || Kanter v. Warner-Lambert Co., 265 F.3d 853, 857 (9th
Cir. 2001) (citations omitted). 8 Here, JURNNA failed to allege where Plaintiffs are domiciled, and
therefore this Court 9 || cannot assess whether complete diversity exists. 10 The Court finds that
JURNNA provided sufficient information to establish that the 11 || } amount in controversy threshold
is satisfied. ECF 1 4] 16. 12 In conclusion, JERNNA has not established that federal subject matter
jurisdiction is 13 || satisfied because it did not provide sufficient facts and sufficiently allege
Plaintiffs’ state 14 || citizenship. Accordingly, JURNNA must show cause in writing by September
26, 2025, 15 || why this case should not be remanded back to state court for lack of subject matter

16 |} jurisdiction. Plaintiffs may respond by October 3, 2025. 17 IT IS SO ORDERED. 19 || Dated:
September 12, 2025
NATHANAEL M. COUSINS
20 United States Magistrate Judge 21 22 23 24 25 26 27 28

Retrieved from lawtools.ai · <https://lawtools.ai/cases/state/united-states-district-court-for-the-northern-district-of-california-united-states-district-court-fo/2025/arthur-reid-stephenson-et-al-v-jaguar-land-rover-north-vjn45qcg>