Syllabus

NOTE: Where it is feasible, a syllabus (headnote) will be released, as is being done in connection with this case, at the time the opinion is issued. The syllabus constitutes no part of the opinion of the Court but has been prepared by the Reporter of Decisions for the convenience of the reader. See *United States* v. *Detroit Timber & Lumber Co.*, 200 U. S. 321, 337.

SUPREME COURT OF THE UNITED STATES

Syllabus

GRUPO DATAFLUX *v.* ATLAS GLOBAL GROUP, L. P., ET AL.

CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FIFTH CIRCUIT

No. 02–1689. Argued March 3, 2004—Decided May 17, 2004

Respondent Atlas Global Group, L. P., a limited partnership created under Texas law, filed a state-law suit against petitioner, a Mexican corporation, in federal court, alleging diversity jurisdiction. After the jury returned a verdict for Atlas, but before entry of judgment, petitioner moved to dismiss for lack of subject-matter jurisdiction because the parties were not diverse at the time the complaint was filed. In granting the motion, the Magistrate Judge found that, as a partnership, Atlas was a Mexican citizen because two of its partners, also respondents, were Mexican citizens at the time of filing; and that the requisite diversity was absent because petitioner was also a Mexican citizen. On appeal, Atlas urged the Fifth Circuit to disregard the diversity failure at the time of filing because the Mexican partners had left Atlas before the trial began and, thus, diversity existed thereafter. Relying on *Caterpillar Inc.* v. *Lewis,* 519 U. S. 61, the Fifth Circuit held that the conclusiveness of citizenship at the time of filing is subject to an exception where, as here, the jurisdictional error was not identified until after the jury's verdict and the postfiling change in the partnership cured the jurisdictional defect before it was identified.

Held: A party's postfiling change in citizenship cannot cure a lack of subject-matter jurisdiction that existed at the time of filing in a diversity action. This Court has long adhered to the rule that subject-matter jurisdiction in diversity cases depends on the state of facts that existed at the time of filing. *Caterpillar*'s statement that "[o]nce a diversity case has been tried in federal court . . . considerations of finality, efficiency, and economy become overwhelming," 519 U. S., at 75, did not augur a new approach to deciding whether a jurisdictional defect

has been cured. The jurisdictional defect *Caterpillar* addressed had been cured by the dismissal of the party that had destroyed diversity, a curing method that had long been an exception to the time-of-filing rule. This Court has never approved a deviation from the longstanding rule that "[w]here there is *no* change of party, a jurisdiction depending on the condition of the party is governed by that condition, as it was at the commencement of the suit." *Conolly* v. *Taylor,* 2 Pet. 556, 565 (emphasis added). Dismissal for lack of subject-matter jurisdiction is the only option available here. Allowing a citizenship change in the partnership to cure the jurisdictional defect existing at the time of filing would contravene the *Conolly* principle. Apart from breaking with this Court's longstanding precedent, holding that "finality, efficiency, and judicial economy" can justify suspension of the time-of-filing rule would create an exception of indeterminate scope that is bound to produce costly collateral litigation. Pp. 3–16.

312 F. 3d 168, reversed.

SCALIA, J., delivered the opinion of the Court, in which REHNQUIST, C. J., and O'CONNOR, KENNEDY, and THOMAS, JJ., joined. GINSBURG, J., filed a dissenting opinion, in which STEVENS, SOUTER, and BREYER, JJ., joined.