

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934**

Date of Report (date of earliest event reported): **August 6, 2010**

LIBERTY MEDIA CORPORATION

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

001-33982
(Commission
File Number)

84-1288730
(I.R.S. Employer
Identification No.)

12300 Liberty Blvd.
Englewood, Colorado 80112
(Address of principal executive offices and zip code)

Registrant's telephone number, including area code: **(720) 875-5400**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 8.01. Other Events

On August 6, 2010, Liberty Media Corporation ("Liberty") announced that it and its subsidiary Liberty Media, LLC have filed suit in the Delaware Court of Chancery against The Bank of New York ("BNY"), in BNY's capacity as trustee under the indenture governing Liberty Media, LLC's public indebtedness. The suit, which also seeks injunctive relief, seeks a declaratory judgment by the court that the previously announced plan to split-off (the "Split-Off") the businesses, assets and liabilities currently attributed to Liberty's Liberty Capital and Liberty Starz tracking stock groups will not constitute a disposition of all or substantially all the assets of Liberty Media, LLC under the indenture. Information related to the suit against BNY and its effect on the Split-Off is set forth in the Press Release filed herewith as Exhibit 99.1.

Item 9.01. Financial Statements and Exhibits

(d) Exhibits

<u>Exhibit No.</u>	<u>Name</u>
99.1	Press Release dated August 6, 2010

1

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: August 6, 2010

LIBERTY MEDIA CORPORATION

By: /s/ Wade Haufschild
Name: Wade Haufschild
Title: Vice President

2

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Name</u>
99.1	Press Release dated August 6, 2010

**LIBERTY MEDIA FILES SUIT AGAINST INDENTURE TRUSTEE
SEEKING DECLARATORY JUDGMENT AND INJUNCTIVE RELIEF**

ENGLEWOOD, Colo., August 6, 2010. Liberty Media Corporation (Nasdaq: LINTA, LINTB, LCAPA, LCAPB, LSTZA, LSTZB) today announced that it and its subsidiary Liberty Media, LLC have filed suit in the Delaware Court of Chancery against The Bank of New York (“BNY”), in BNY’s capacity as trustee under the indenture governing Liberty Media, LLC’s public indebtedness. The suit seeks a declaratory judgment by the court that the previously announced plan to split-off (the “Split-Off”) the businesses, assets and liabilities currently attributed to Liberty Media Corporation’s Liberty Capital and Liberty Starz tracking stock groups will not constitute a disposition of all or substantially all the assets of Liberty Media, LLC under the indenture. The suit, which also seeks related injunctive relief, was filed in response to assertions made by a law firm purporting to represent a holder of a substantial block of Liberty Media, LLC’s indebtedness.

The consummation of the Split Off will be conditioned on the resolution of this lawsuit, in addition to the conditions previously disclosed.

About Liberty Media Corporation

Liberty Media owns interests in a broad range of electronic retailing, media, communications and entertainment businesses. Those interests are attributed to three tracking stock groups: (1) the Liberty Interactive group (Nasdaq: LINTA, LINTB), which includes Liberty Media’s interests in QVC, Provide Commerce, Backcountry.com, BUYSEASONS, Bodybuilding.com, IAC/InterActiveCorp, and Expedia, (2) the Liberty Starz group (Nasdaq: LSTZA, LSTZB), which includes Liberty Media’s interest in Starz Entertainment, and (3) the Liberty Capital group (Nasdaq: LCAPA, LCAPB), which includes all businesses, assets and liabilities not attributed to the Interactive group or the Starz group including its subsidiaries Starz Media, LLC, Atlanta National League Baseball Club, Inc., and TruePosition, Inc., Liberty Media’s interest in SIRIUS XM Radio, Inc., and minority equity investments in Time Warner Inc. and Live Nation.

This press release includes certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements about the Split-Off and the conditions to its completion, and other matters that are not historical facts. These forward-looking statements involve many risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements, including, without limitation, the resolution of the lawsuit brought in connection with the Split-Off. These forward looking statements speak only as of the date of this press release, and Liberty Media expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statement contained herein to reflect any change in Liberty Media’s expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

Additional Information

Nothing in this press release shall constitute a solicitation to buy or an offer to sell shares of Liberty Media stock or the stock of the split-off entity. The offer and sale of shares in the Split-Off will only be made pursuant to an effective registration statement. Stockholders and other investors are urged to read the registration statement to be filed with the SEC, including the proxy statement/prospectus to be contained therein, because it will contain important information about the transaction. A copy of the registration statement and the proxy statement/prospectus, once filed, will be available free of charge at the SEC’s website (<http://www.sec.gov>). Copies of the proxy statement/prospectus and the filings with the SEC that will be incorporated by reference in the proxy statement/prospectus can also be obtained, without charge, by directing a request to Liberty Media Corporation, 12300 Liberty Boulevard, Englewood, Colorado 80112, Attention: Investor Relations, Telephone: (720) 875-5408.

Participants in a Solicitation

The directors and executive officers of Liberty Media and other persons may be deemed to be participants in the solicitation of proxies in respect of proposals to approve the Split-Off. Information regarding Liberty Media’s directors and executive officers, those of the split-off entity and other participants in the proxy solicitation and a description of their direct and indirect interests, by security holdings or otherwise, will be available in the proxy materials to be filed with the SEC.

Contact: Courtnee Ulrich (720) 875-5420
