Microsoft

Microsoft Dynamics 365
Business Central
Licensing Guide

Using This Guide

This guide is designed to improve your understanding of how to license Microsoft Dynamics 365 Business Central. This document **does not apply to** Microsoft Dynamics 365, Microsoft Dynamics 365 on-premises, Microsoft Dynamics 365 for Operations on-premises, Microsoft Dynamics NAV, Microsoft Dynamics GP, Microsoft Dynamics SL, Microsoft Dynamics AX 2012 or prior versions, or Microsoft Dynamics CRM 2016 or prior versions.

This guide is not intended to influence the choice of Microsoft Dynamics products and services or provide technical specification. The examples presented in this guide are illustrative. Microsoft reserves the right to review or update this document at any time without notice.

For help determining the right technology solution for any given organization, including the license requirements for a specific product or scenario, contact your Dynamics Partner.

Corporate Renaissance Group

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This guide does not supersede or replace any of the legal documentation covering use rights.

Contents

Introduction to Microsoft Dynamics 365

Microsoft Dynamics 356 Business Central (previously known as Dynamics 365 for Finance and Operations, Business edition) fits the needs of midsize businesses with core business needs. It helps organizations connect their financials, sales, purchase, inventory, projects, service, and operations.

With Dynamics 365 Business Central, you must license at least one of Dynamics 365 Essential or Dynamics 365 Premium users. Additional access to the service functionality by other users is licensed with Dynamics 365 Business Central Team Members.

Dynamics Business Central functionality is delivered through the Dynamics 365 Essential or Dynamics 365 Premium User.
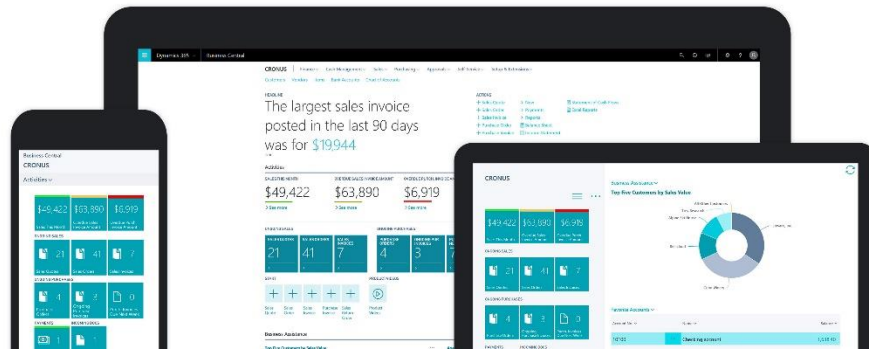
Subscription Licensing Requirements

Licensing Requirements for Internal Users

You may license access to Microsoft Dynamics 365 by purchasing a Subscription License (SL) for every internal user who directly or indirectly accesses the service.

Dynamics 365 Business Central has one type of SL:

- User SLs are assigned on a "named user" basis, meaning each user requires a separate User SL; User SLs cannot be shared but an individual with a User SL may access the service through multiple devices.

The User SL grants users non-perpetual rights (with no buy-out rights) to the use of the Dynamics 365 service. As long as you are current on your subscription payments and adhere to the Product Terms and the Online Service Terms, you will have access to the most up-to-date version of your Microsoft Dynamics 365.

Licensing Requirements for External Users

External users are end customers and third-party users of the organization or its affiliates and do not require SLs to access Microsoft Dynamics 365. External user access is included with the organization's internal user SLs.

External users cannot use any clients provided by the Microsoft Dynamics 365 Business Central Application Programming Interface (API), such as the Windows client, the Web client, the Windows, the iPad or iPhone app, or the Android application.

In addition, external users include off-site vendors not on an employee-like relationship with the organization or its affiliates (e.g. IT help desk support vendors serving multiple customer organizations).

However, external user access does not extend to the customer or the customer's affiliate's contractors, vendors, or agents providing business processes on the customer's behalf or using Microsoft Dynamics 365 to manage any portions of their business. In this sense, the customer may not use Microsoft Dynamics 365 to provide business process outsourcing services to its clients.

Figure 1: Internal vs. external users
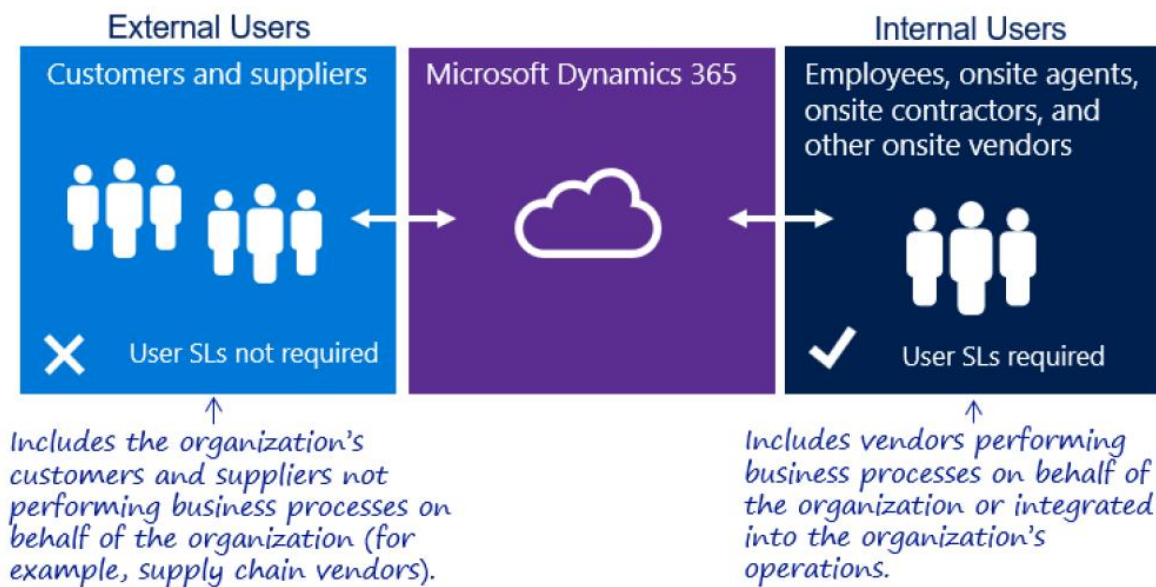
Multiplexing

Multiplexing refers to the use of hardware or software that a customer uses to pool connections, reroute information, and reduce the number of devices or users that directly access or use Microsoft Dynamics 365 service. Multiplexing does NOT reduce the number of SLs of any type required to access the Microsoft Dynamics 365 service. Any user or device that accesses Microsoft Dynamics 365 —whether directly or indirectly—must be properly licensed.

Microsoft Dynamics 365 SLs are required for users or devices that directly input, query, or view data from the Microsoft Dynamics 365 service. Similarity, Microsoft Dynamics 365 SLs are required for users or devices that

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input data into, query, or view data from Microsoft Dynamics 365 through a pooling device. Pooled connections use a non-interactive user account in Dynamics 365 that can access the system but only via the web service layer. Internal users and devices accessing Microsoft Dynamics 365 data indirectly through a portal or via an API to a separate service such Microsoft Outlook must also be properly licensed, regardless of if they are set up as a Microsoft Dynamics 365 user in the service, for example:

- Internal users and devices access Microsoft Dynamics 365 data indirectly through a PowerApps must still be properly licensed for Dynamics 365.
- Any user or device that accesses the service, files, data, or content provided by the service that is made available through an automated process requires a Microsoft Dynamics 365 SL.
- The number of tiers of hardware or software between the Microsoft Dynamics 365 service and the user or devices that ultimately use its data, services, or functionality does not affect the number of SLs required.

Figure 2: Multiplexing
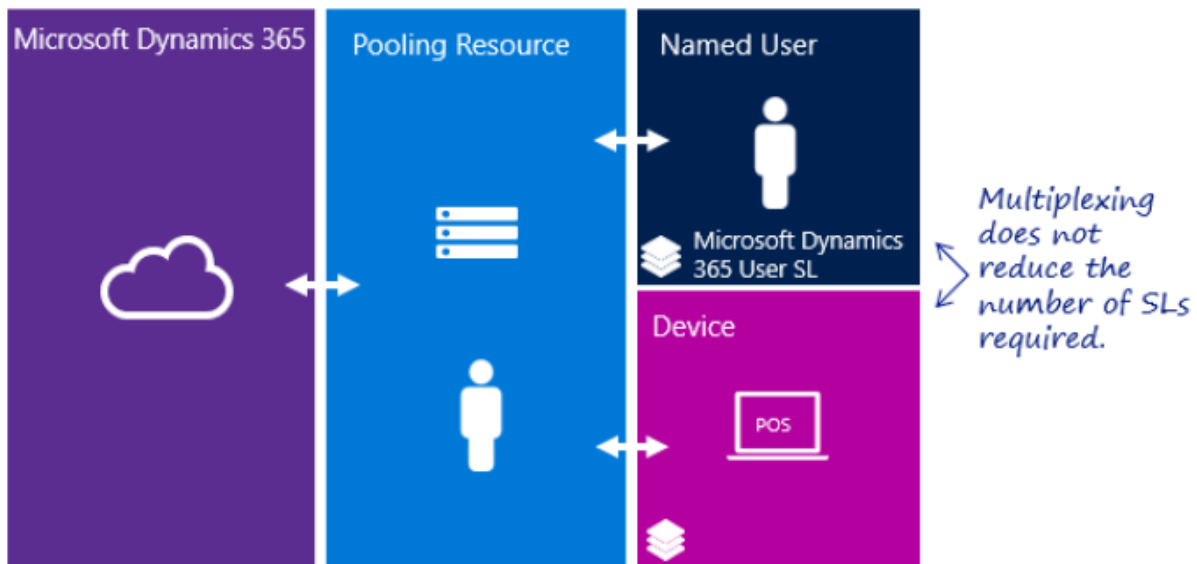
For additional information about multiplexing refer to the [Microsoft Volume Licensing Brief Multiplexing—Client Access License (CAL) Requirements](#).

Dual Use Rights

Microsoft Dynamics 365 Business Central services **do not** include dual use rights, the option to deploy either in Microsoft's cloud or in a private on-premises or partner-hosted cloud. Business Central is available only as an online service.

Licensing Programs

Microsoft Dynamics Business Central subscriptions are only available through the Cloud Solution Provider program and resellers like Corporate Renaissance Group (CRGroup). [All CSP partners can be found here](#).

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International Availability

Dynamics 365 Business Central is available in United States, Canada, United Kingdom, Denmark, Netherlands, Germany, Spain, Italy, France, Austria, Switzerland, Belgium, Sweden, and Finland.

Microsoft Dynamics 365 Subscription License Types

Microsoft Dynamics 365 simplifies licensing of business applications. The primary licensing is by named user subscription. The Microsoft Dynamics 365 user subscriptions classify users into two types, "full users" and "additional users".

Full users are the users whose work requires use of the feature rich business applications functionality. Examples of full users are sales people, customer service representatives, finance employees, controllers and supply chain managers. These users have also been referred to in the past as Pro users or Power Users. These full users are licensed with a Dynamics 365 Business Central subscription.

Additional users often represent a large percentage of users in an organization and may consume data or reports from line of business systems, complete light tasks like time or expense entry and HR record updates or be heavier users of the system, but not require full user capabilities. These additional users are licensed with Dynamics 365 Business Central Team Members.
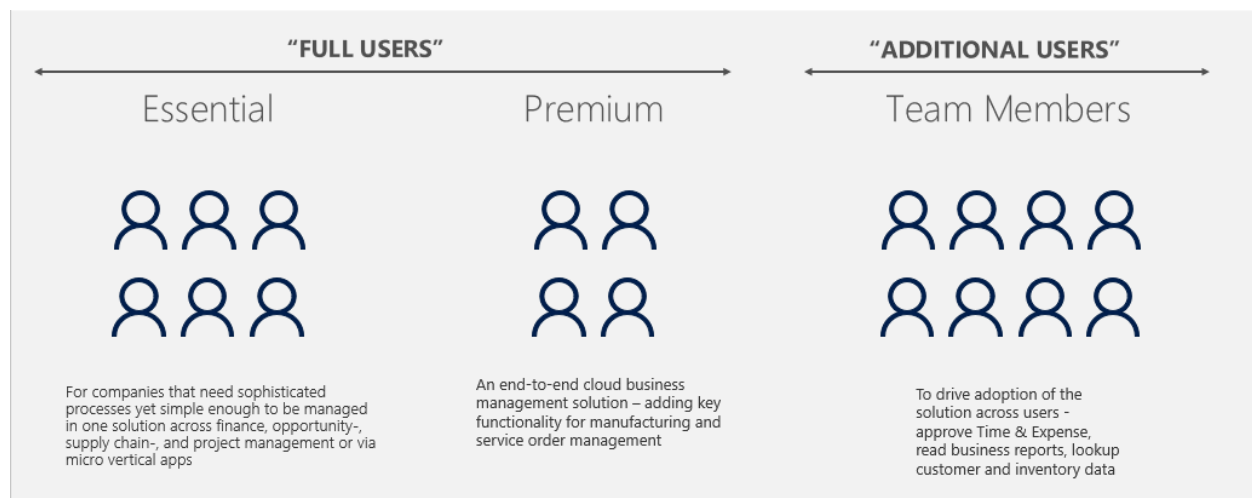
Dynamics 365 Business Central Team Members

The Dynamics 365 Business Central Team Members subscription is a named user subscription designed for users who are not tied to a particular function, but who require basic Dynamics 365 functionality. This license includes read access as well as some write access for select light tasks across Dynamics 365 Business Central functionality for a given tenant. The Dynamics 365 Business Central Team Members SL grants a user full read access to Dynamics 365 Business Central Essential and Dynamics 365 Business Central Premium for a given

tenant. In addition, the Dynamics 365 Business Central Team Members SL includes some limited use write access to Dynamics 365 Business Central Essential and Dynamics 365 Business Central Premium.

Dynamics 365 Business Central Team Members also includes the "PowerApps for Dynamics 365 Applications" license. Dynamics 365 Business Central Team Members users can use PowerApps to access Dynamics 365 within the bounds of their Team Members license.

Dynamics 365 Business Central Team Members requires that at least one other user be licensed with Dynamics 365 Essential or Dynamics 365 Business Central Premium.

Dynamics 365 Business Central Team Members users can do the following:

- Read anything within Dynamics 365 Business Central
- Update existing data and entries in Dynamics 365 Business Central - existing data are records like customer, vendor or item records which are already created. Entries means entries on which it is specifically allowed from an accounting perspective to update specific information. (e.g. due date on customer ledger entries)
- Approve or reject tasks in all workflows assigned to a user
- Create, edit, delete a quote
- Create, edit, delete personal information
- Enter a time sheet for Jobs
- Use PowerApps for Dynamics 365

See Appendix A for a summary of Dynamics 365 Business Central Essential use rights, Appendix B for a summary of Dynamics 365 Business Central Premium use rights, and the PowerApps licensing guide for additional information on PowerApps for Dynamics 365 licensing.

Dynamics 365 Business Central

Subscriptions are named user subscriptions where a user is licensed for Dynamics 365 Business Central Essential or Dynamics 365 Business Central Premium. The following application is part of Dynamics 365 Business Central: PowerApps for Dynamics 365.

Business Central Application

Dynamics 365 Business Central is a comprehensive business management solution for SMBs. The Dynamics 365 Business Central application can be licensed two ways:

Dynamics 365 Essential:

- Financial Management
- Customer Relationship Management
- Project Management
- Supply Chain Management
- Human Resources Management
- Warehouse Management

Dynamics 365 Premium:

- Everything in Essential
- Service Management
- Manufacturing

Dynamics 365 Business Central (per user license) – This license provides users with unrestricted access to the functionality included in Dynamics 365 Business Central Team Members and Business Central.

Dynamics 365 Applications include the "PowerApps for Dynamics 365 Applications" license. Dynamics 365 Business Central users can use PowerApps to access Dynamics 365 within the bounds of their Dynamics 365 Business Central Essential or Dynamics 365 Business Central Premium license.

Customers who have external accountants who wish to connect to the Dynamics 365 Business Central application can purchase one per tenant at no additional cost. External Accountant Licenses contain all the same use rights as Dynamics 365 Business Central license except for the following: Access to user set up or admin tasks and any other Dynamics 365 application.

See Appendix A for a summary of Dynamics 365 Business Central Essential use rights, Appendix B for a summary of Dynamics 365 Business Central Premium use rights, and the PowerApps licensing guide for additional information on PowerApps for Dynamics 365 licensing.

Default Subscription Capacities

Production Instance	1 Included
Non-Production Instance	None
File Storage	Unlimited
Database Storage	Unlimited
External Accountant Licenses	1 Included
Companies	Unlimited
Cortana Intelligence	1800 seconds per month/tenant

Other Product Licenses

Licenses for Microsoft Dynamics 365 service do not include licenses for other products and services that may be necessary to light up integrated scenarios or extend functionality; product licensing rights for these must be established separately. The following resources can help you to determine the required additional licenses:

Microsoft Power BI in Dynamics 365

Dynamics 365 Business Central users are not provided with any standalone or general-purpose Power BI license or use rights. Customers who require Power BI Pro will need to license and pay for it separately.

Dynamics 365 Business Central application subscriptions include an option to embed Power BI content as a product feature but require users to subscribe to Power BI (free user or Power BI Pro depending on content) separately to configure access to this content. More details are available in this article.

Cortana Intelligence

Customers who wish to expand beyond the default subscription capacity included in Dynamics 365 Business Central will need to have a separate Azure subscription.

Microsoft PowerApps

Customers who wish to go beyond the PowerApps functionality included in Dynamics 365 can also purchase PowerApps P1 or P2 on a standalone basis.

PowerApps and Microsoft Flow capabilities are included in Dynamics 365 Business Central and Dynamics 365 Business Central Team Members subscriptions so that users can create, modify and use mobile apps based on Dynamics 365 data.

Dynamics 365's standalone PowerApps offering is P2.

- Microsoft PowerApps is a service for building and using custom business applications that connect to your data and works across the web and mobile - without the time and expense of custom software development. Learn more at the PowerApps service page.
- PowerApps licenses always include Microsoft Flow capabilities. Microsoft Flow is a service for automating workflow across the growing number of applications and SaaS services that business users rely on. Learn more at the Microsoft Flow service page.

PowerApps users who access Microsoft Dynamics 365 indirectly through a PowerApps must properly be licensed for Dynamics 365 service. See the PowerApps licensing guide for additional information on PowerApps and Flow licensing.

Support

The Microsoft Cloud Solution Provider program enables partners to manage their customer's success. Support for Dynamics 365 Business Central is solely through the Microsoft Cloud Solution Provider partners.

CRGroup clients can contact support at

mbssupport@crgroup.com **or by calling 800.576.6215**

Appendix A: Essential Functionality

Financial Management		
Basic General Ledger	Basic Fixed Assets	Electronic Payment / Direct Debits*
Allocations	Insurance	Bank Account Reconciliation
Budgets	Maintenance	Payment Handling
Account Schedules	Fixed Assets Allocations	Cash Flow Forecast
Consolidation	Reclassifications	Advanced Dimensions
Basic XBRL	Bank Account Management	Deferrals
Change Log	Check Writing	Multiple Currencies
Advanced Financial Management		
Responsibility Centers	Inter-company Postings	Cost Accounting
Customer Relationship Management		
Contact Management	Dynamics 365 for Sales and Dynamics 365 for Customer Service	
Task Management	Opportunity Management	Campaign Management
Outlook Client Integration	Interaction / Document Management	Relationship Management
Contact Classification	Mail Logging	Notifications
Project Management		
Basic Resources	Estimates	Time Sheet
Capacity Management	Tasks / Steps	User Tasks
Multiple Costs	Jobs	
Basic Receivables	Requisition Management	Item Cross References
Sales Invoicing	Alternative Order Addresses	Nonstock Items
Sales Order Management	Purchase Return Order Management	Item Tracking
Sales Invoice Discounts	Purchase Line Discounting	Item Charges
Alternative Ship-To Addresses	Purchase Line Pricing	Bin
Shipping Agents	Drop Shipments	Pick
Sales Return Order Management	Salespeople / Purchasers	Analysis Reports
Sales Line Discounting	Basic Inventory	Item Budgets
Sales Line Pricing	Multiple Locations	Workflow
Sales Tax / VAT*	Document Management, Document Capture and OCR Document Management, Document Capture and OCR	
Basic Payables	Alternative Vendors	E-services
Purchase Invoicing	Assembly Management	Item Categories
Purchase Order Management	Location Transfers	Item Attributes
Purchase Invoice Discounts	Item Substitutions	Stock keeping Units
Human Resources Management		
Basic Human		
Warehouse Management		
Order Promising	Put Away	Warehouse Management Systems
Calendars	Warehouse Receipt	Internal Picks and Put Aways
Campaign Pricing	Warehouse Shipment	Automated Data Capture System
Cycle Counting	Standard Cost Worksheet	Bin Set-Up
Other		
Unlimited Companies	Job Queue	Word reporting/Document reporting
Multiple Currencies	Reason Codes	User Management
Intrastat	Extended Text	
Embedded Power BI		

*Depending on country

Appendix B: Premium Functionality

Service Order Management		
Service Order Management	Service Item Management	Planning and Dispatching
Service Price Management	Service Contract Management	
Manufacturing		
Production Orders	Basic Supply Planning	Finite Loading
Production Bill of Materials	Demand Forecasting	Sales and Inventory Forecasting
Version Management	Basic Capacity Planning	Agile Manufacturing
Machine Centers		

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