

Pricing

Q: What options do I have to save on my Azure compute usage?

There are many different ways you can save on your Azure compute usage, ranging from [Azure Hybrid Benefit](#) to a one- or three-year [Azure Reserved VM Instances](#) or an [Azure savings plan](#). Depending on your workloads, you may need to use Azure Reserved VM Instances, an Azure savings plan, or a combination of both. Read this blog article to learn how to decide which one to use for your workloads: [How to optimize your Azure compute spend with savings plan and reserved instances](#).

Q: How do I know which pricing option to choose for compute services?

You may benefit from different Azure pricing options and offers depending on where you are in your cloud journey. To best select the pricing option that matches your needs and goals, read this blog article: [Get the best value in your cloud journey with Azure pricing offers and resources](#).

Q: In what currency is Azure priced?

Azure prices are in US dollars throughout the world, including Azure products and services, Azure support, and Azure reservations.

Q: What is an Azure plan?

As part of the new commerce experience, an Azure plan gives you access to Azure services at standard pay-as-you-go rates under your [Microsoft Customer Agreement](#).

Virtual Machines (VM) licensing

Q: Can I move Windows Server 2012 licenses and images between Hyper-V and Azure?

The license to run Windows Server in the Azure environment is by default included in the per-minute cost of your Windows Virtual Machine.

Windows Server licenses are not eligible for [License Mobility through Software Assurance](#), but customers licensing Windows Server with Software Assurance can utilize the [Azure Hybrid Benefit](#) for a cheaper per-minute cost when running a Windows Virtual Machine.

Licenses for use of Windows Server on-premises (whether in a virtual hard disk (VHD) or otherwise) must be obtained separately through volume licensing.

Q: Does a customer need Windows Server Client Access Licenses (CALs) to connect to a Windows Server image that is running in Azure Virtual Machines?

No. Windows Server CALs are not required for accessing Windows Server running in the Azure environment because the access rights are included in the per-minute charge for the Virtual Machines. Use of Windows Server on-premises (whether in a VHD or otherwise) requires obtaining a separate license and is subject to the normal licensing requirements for use of software on-premises.

Q: How do I license SQL Server in Azure Virtual Machines?

If you are an end-customer using SQL Server, you can:

1. Obtain a SQL Server image from the Marketplace and pay the per-minute licensing rate of SQL Server. The SQL Server license fee is included in the virtual machine image price as shown in the [Virtual Machines pricing page](#).
2. Customers with [Software Assurance](#) can use License Mobility to bring licenses on premise. This can be done by:
 - Obtaining a SQL Server, Bring Your Own License (BYOL) image from the Marketplace. Azure doesn't charge for images with SQL licensing.
 - Manually installing SQL Server in a Windows Server Virtual Machine from the Marketplace.
 - Uploading a SQL Server image from on premises to Azure to create a virtual machine.

You must report the usage of licenses to Microsoft using the [License Mobility Verification form](#) within 10 days.

Q: How do I license SQL Server within Azure Virtual Machines deployed in an active-passive configuration?

Each of the deployed Azure Virtual Machines requires licensing for SQL Server. To accomplish this, you can do one of the following:

- Obtain a SQL image from the Azure Virtual Machine marketplace, and pay the per-minute rate of SQL Server for each virtual machine. Use a SQL Server virtual machine from the gallery.

Or

- Customers with Software Assurance can use License Mobility to license both the active SQL virtual machine and the passive SQL virtual machine with the failover rights as described in Volume Licensing Product Terms.

To use License Mobility, do one of the following:

- Create a BYOL SQL Server virtual machine from the Azure Gallery. The BYOL images are labeled {BYOL} in the Azure Marketplace.
- Manually install SQL Server on a Windows virtual machine from the Azure Marketplace.
- Manually install SQL Server on-premises and create an image. Then you can upload the image to Azure and create a virtual machine from the uploaded image.

Customers who use License Mobility for this purpose must notify Microsoft within 10 days with the [License Verification form](#) for your language and region.

Q: How do I license BizTalk Server in Azure Virtual Machines?

If you are an end-customer using BizTalk Server, you can:

- Obtain a BizTalk Server image from the Azure Virtual Machine marketplace and pay the per-minute rate of BizTalk Server, or
- Install or upload your own BizTalk Server image using the license mobility benefits under Software Assurance.

If you are a Service Provider with a signed Services Provider License Agreement (SPLA) you can:

- Obtain a BizTalk Server image from the Azure Virtual Machine marketplace and pay the per-minute rate of BizTalk Server.
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Q: Can service providers build a cloud-based service on Azure using session-based hosting through Remote Desktop Services (formerly known as Terminal Services)?

Yes, service providers can offer hosted solutions through Remote Desktop Services running on Azure as long as they obtained Remote Desktop Services Subscriber Access Licenses (SALs) through a Microsoft Services Provider License Agreement (SPLA) reseller.

Q: Can customers use Remote Desktop Services CALs that they own as part of their volume licensing agreement to access Windows Server instances running on Azure or other service provider environments?

Volume Licensing customers who have active Software Assurance on their Remote Desktop Services User CALs are entitled to Remote Desktop Services CAL extended rights, which allow use of their Remote Desktop Services User CAL with Software Assurance against a Windows Server running on Azure or other service providers' shared server environments. This Remote Desktop Services User CAL Software Assurance benefit allows each User to access Remote Desktop Services functionality only on one shared server environment (i.e. Azure or a third-party server) in addition to accessing the respective on-premise servers. To avail this benefit, please complete and submit the License Mobility Verification form to either Azure or an Authorized Mobility Partner where the hosted graphical user interface will be running. More details are available in Appendix 2 of the Software Assurance benefit section of the Product Use Rights.

Q: Where can I find Azure product prices and get pricing estimates?

Azure product pricing is available on the Azure pricing (<https://azure.microsoft.com/pricing/>) page. To estimate your costs, see the pricing calculator (<https://azure.microsoft.com/pricing/calculator/>).

Q: What is Azure Hybrid Benefit?

Azure Hybrid Benefit is an [Azure offer](#) that helps organizations reduce expenses during their migration to the cloud. By providing Azure discounts on Windows Server and SQL Server licenses, as well as Linux subscriptions, Hybrid Benefit supports infrastructure modernization and a cloud-first strategy. You can combine Azure Hybrid Benefit with other strategic pricing offerings like [Azure Reserved VM Instance](#) to save up to 80% over the standard pay-as-you-go rate for Windows Server.

Q: Which Windows Server and SQL Server licenses are eligible for Azure Hybrid Benefit?

SQL Server and Windows Server core licenses with active Software Assurance or qualifying subscription core licenses have Azure Hybrid Benefit eligibility in Azure, including: Windows Server Datacenter edition, Windows Server Standard edition, SQL Server Enterprise Edition, SQL Server Standard Edition. If you do not have Software Assurance, please work with your Microsoft account team or a Cloud Service Provider partner. The offer is available in all Azure regions.

Q: How do I use Azure Hybrid Benefit for SQL Server and Windows Server together?

You can combine Azure Hybrid Benefit for SQL Server and Windows Server when you use SQL Server with Azure Virtual Machines and Azure Dedicated Host. The process of applying Azure Hybrid Benefit for SQL Server on Azure Virtual Machines depends on the [deployment option](#).

Q: Can I use Azure Hybrid Benefit Windows Server and SQL Server with VMs running end-of-support software versions?

Yes. However, to protect data and applications during the end-of-support transition, we recommend adding a subscription for extended security updates (ESU). Learn more about [Extended Security Updates for SQL Server and Windows Server](#).

Q: What does Azure Hybrid Benefit offer for Windows Server on Azure Virtual Machines?

With the Azure Hybrid Benefit discount, Windows Server customers can save up to 80% over the standard pay-as-you-go rate.

To qualify for Azure Hybrid Benefit for Windows Server, you need on-prem core licenses for Windows Server with active Software Assurance or qualifying subscription licenses. Software Assurance and qualifying subscription licenses are only available as part of certain commercial licensing agreements. To learn more about commercial licensing, see [Microsoft Licensing](#).

Q: What Azure Solutions can use Azure Hybrid Benefit?

Azure Solutions that can attest for AHB include Azure SQL, Azure SQL Managed Instance, Azure Kubernetes Services, Azure Dedicated Host, Azure Local, Azure VMs, Azure VMWare Solution.

Q: What does this benefit offer for Windows Server in Azure Dedicated Host?

Azure Hybrid Benefit can be used in three ways:

VM Licensing

- Windows Server Standard: When migrating workloads to Azure, Customer may also continue to use its licensed software on devices for a period of 180 days from when the licenses are allocated to Azure.
- Windows Server Datacenter: When migrating workloads to Azure, Customer may also continue to use its licensed software on devices indefinitely.

Dedicated Host Licensing

- When migrating workloads to Azure, Customer may also continue to use its licensed software on devices for a period of 180 days from when the licenses are allocated to Azure. Learn more about [Azure Dedicated Host](#).

For more information about the Azure Migration Allowance, see the [Product Terms](#) and read about the [Azure Hybrid Benefit for Windows Server](#).

Q: What is the virtualization benefit, and is it available with Azure Hybrid Benefit for SQL Server?

It applies to highly virtualized workloads on-prem, and is only available for:

- Azure SQL DB (General Purpose and Hyperscale service tiers, excluding serverless)
- Azure SQL MI (General Purpose service tier), SQL Server Standard Virtual Machines
- Azure Data Factory, and SQL Server Integration Services (Standard)

You can convert one core of SQL Server Enterprise edition with Software Assurance to receive up to four vCores or four vCPUs.

Q: Can I use my Windows or SQL Server license simultaneously on-premises and in-cloud?

No. Your licenses must be used either on premises or in the cloud, but you will have 180 days of concurrent use rights while migrating servers.

Q: What happens to my Azure Hybrid Benefit for Windows Server and SQL Server if my Software Assurance expires?

To use Azure Hybrid Benefit for Windows and SQL Server, your Software Assurance or subscriptions must be active. If you choose not to renew your Software Assurance when it expires, you will need to remove your Azure Hybrid Benefit selections from your resources in the Azure portal.

Q: As a SQL Server Integration Services subscriber in Azure, what do I gain from the Azure Hybrid Benefit?

Azure Hybrid Benefit for SQL Server gives you more value from your SQL Server licenses and savings of up to 55%* on SQL Server Integration Services. You can apply the benefit to SQL Server Enterprise Edition and SQL Server Standard Edition core licenses covered by active Software Assurance or qualifying subscriptions, and use your SQL Server licenses to run SQL Server Integration Services packages on Azure at a lower base rate.

*Actual savings may vary based on region, instance type, or usage.

Q: What does the benefit offer for SQL Server in Azure Dedicated Host?

If you are eligible for Azure Hybrid Benefit, you can apply it to Azure Dedicated Host under the same terms and conditions as individual virtual machines. Additionally, if you have Software Assurance with SQL Server Enterprise Edition and license Azure Dedicated Host at the host level, you will get unlimited virtualization rights. Learn more about [Azure Dedicated Host](#).

Q: What Linux licenses are eligible for Azure Hybrid Benefit?

The Azure Hybrid Benefit applies to Linux subscription, allowing customers running Red Hat Enterprise Linux (RHEL) or SUSE Linux Enterprise Server (SLES) licenses.

Q: Can I use license type of RHEL_BYOS with a SLES image, or vice versa?

No, you cannot. Trying to enter a license type that incorrectly matches the distribution running on your virtual machine will not update any billing metadata. But if you accidentally enter the wrong license type, updating your virtual machine again to the correct license type will still enable Azure Hybrid Benefit.

Q: I know Windows Server is not covered under license mobility. Can a customer bring their own image that has applications and middleware on top of Windows Server?

Even though Windows Server is not covered under license mobility, volume licensing customers can still upload their own image containing Windows Server to Azure, if they are bringing it as part of Licensing Mobility for another product that is being brought over. We will charge the Windows Server Virtual Machine rate applicable for their instance. Customers can get access to a cheaper per-minute-cost by utilizing the Azure Hybrid Benefit

(<https://azure.microsoft.com/pricing/hybrid-benefit/>). Customers are responsible for proper licensing of any application or middleware in the image.

Microsoft Azure Customer Solution

Q: What is the Microsoft Azure Customer Solution clause?

The [Azure Customer Solution clause](#) in the Product Terms is intended for customers like Software Development Companies (SDCs) (previously referred to as Independent Software Vendors [ISVs]) who purchase and consume Azure Services to develop and deliver a Software as a Service (SaaS) application that meets the [definition of a "Customer Solution"](#). Refer to the [Microsoft Azure Customer Solution licensing guidance](#) article to learn more.

Q: What if I'm unsure whether my solution adds "primary and significant functionality"?

Your solution that runs on Azure should unequivocally be adding primary and significant functionality. If there is any ambiguity, your solution likely does not meet this requirement and should be closely evaluated.

Q: Are there Azure Services that are not covered by the Azure Customer Solution?

Yes. Services purchased as a Microsoft Azure Services Plan (except Azure Stack Hub) are not covered. You cannot license the use of Azure Virtual Desktop for your Customer Solution through any means other than the Azure Virtual Desktop per user access license which is specifically for Azure Virtual Desktop Customer Solutions. For example, you may not use Azure Virtual Desktop licensed through Microsoft 365 User Subscription Licenses. [[View related Product Terms.](#)]

Q: I am a Software Development Company (SDC) (previously referred to as an "ISV") and also want to resell Azure to customers. What should I do?

SDC (previously referred to as ISV) partners who want to resell Azure should evaluate the [Cloud Solution Provider \(CSP\) program](#).

Q: I have a Managed Services business designed to drive customers to Azure and I'll configure, manage, and/or support the end customer's Azure environment. What is the right way for me to go to market in this fashion?

The [Cloud Solution Provider \(CSP\) program](#) allows you to provide the full Managed Services to your customer.

Q: What is the difference between a Managed Services provider and a Software Development Company (SDC) (previously referred to as an "ISV") running a Customer Solution on Azure?

A Managed Services provider does not provide a finished application; it manages an end customer's cloud environment on their behalf.

An SDC (ISV) running an Azure Customer Solution is a customer that has created a net-new SaaS application running on Azure. The end customer is purchasing the whole solution versus the underlying services standalone, which is required for the application to run.

Q: Can I host other Microsoft products that run on Azure under the Azure Customer Solution?

The Azure Customer Solution clause only applies to Azure Services. Please review the applicable service-specific terms for other Microsoft products in the [Product Terms](#) to confirm whether any hosting use rights exist.

Q: I built a portal (i.e., a management console) to run on Azure. Does that qualify for the Azure Customer Solution?

It depends on whether the "portal" meets the Azure Customer Solution criteria:

- Adds primary and significant functionality to the Azure Services, and
- Is not primarily a substitute for the Azure Services, and
- Does not solely provide billing, license management, and/or infrastructure services (e.g., virtual machines, containers, storage, or management for such infrastructure services).

Q: I provide hosted IAAS and/or SAAS solutions from my datacenter for my end customers and would like to use Microsoft Defender for Cloud licensed under my Enterprise Agreement or Microsoft Customer Agreement to protect those servers. Is this acceptable?

Provided Microsoft Defender for Cloud is defined as a Microsoft Azure Services (pursuant to the Product Terms), and you are compliant with the Azure Customer Solution obligation to combine primary and significant functionality with Microsoft Azure Services (e.g., Microsoft Defender for Cloud in this example), you may use the eligible license obtained under your Enterprise Agreement pursuant to the Product Terms. Since the Microsoft Defender for Cloud is only a minor component to the larger solution the provider is offering, this scenario could be considered primary and significant functionality.

Q: Do all Microsoft Azure services follow the Azure Customer Solution clause?

Not necessarily. Certain Azure services have their own specific clauses. For example, Azure Virtual Desktop uses the Azure Virtual Desktop Customer Solution clause. You should review the "Azure Virtual Desktop Per User Access" clause in the Azure section of the Product Terms and ensure you check all applicable terms and conditions for the Azure services you use.

Azure Local

Q: What is Azure Local?

Azure Local is Microsoft's full-stack infrastructure software that runs on validated hardware in your own facilities. It brings Azure capabilities to distributed or sovereign locations, so you can run virtual machines, containers, and select Azure services locally while maintaining an Azure-consistent management experience through Azure Arc. For more information, see [What is Azure Local?](#)

Q: When should I use Azure Local?

Use Azure Local when you need modern cloud capabilities in locations where connectivity is limited, data sovereignty is critical, or latency-sensitive applications must run close to where data is generated. It's ideal for industries like manufacturing, retail, and government that require local control with Azure consistency.

Q: What are the different deployment types offered on Azure Local?

Azure Local is designed to offer customers an Azure-consistent on-premises experience and set of services across a variety of scale points, from a single-machine deployment to a datacenter footprint. The deployment types include hyperconverged deployments, multi-rack deployments, Microsoft 365 on Local, and disconnected operations. For more information, see [Azure Local deployment types](#).

Q: How are Azure Local and Sovereign Private Cloud related?

Azure Local is the foundation and core product fueling Microsoft's Sovereign Private Cloud offering. It enables customers to meet strict data residency and regulatory requirements by hosting workloads on-premises, disconnected or semi-connected, while still benefiting from Azure innovation and security. For more information, see [Sovereign Private Cloud](#).

Q: What are the different hardware configurations supported on an Azure Local instance?

Azure Local leverages a broad partner ecosystem by providing a comprehensive catalog and prescriptive BOMs across hardware solution categories.

- Hyperconverged deployments of Azure Local use the supported hardware offered in the [Azure Local catalog](#).
- Multi-rack deployments of Azure Local are in Preview. Reach out to the Azure Local Product team through your Account teams for more information and inclusion into the Preview. For more information, see [Get started with multi-rack deployments of Azure Local](#).
- Microsoft 365 Local runs Microsoft 365 applications on Azure Local infrastructure. For more information, see [What is Microsoft 365 Local](#).
- Disconnected operations allow you to deploy and manage Azure Local instances without a connection to the Azure public cloud. For more information, see the [Eligibility criteria for disconnected operations](#).

Q: Where is Azure Local available?

Azure Local is available:

- In the geographic regions where our OEMs serve the physical hardware.
- In the Azure regions where the Azure Local control plane is available. For more information, see a list of supported Azure regions for [Hyperconverged deployments](#) and Multi-rack deployments.

Q: How is Azure Local billed?

Azure Local software is billed as a cloud service on your Azure subscription based on the number of physical cores deployed. For more information, see [Billing and payment](#) and [Azure Local Pricing](#).

Q: Can I re-use my existing hardware?

or hyperconverged deployments of Azure Local, there is a broad catalog of [validated OEM hardware](#). You can reuse the existing hardware if it matches a supported configuration in the catalog. Otherwise, hardware upgrades or new hardware would be required.

Multi-rack deployments is in preview for qualified opportunities and requires prescriptive hardware bill of materials (BOM) featuring pre-integrated racks that contain SAN storage, servers, and network devices. At this time, re-use of existing hardware is not supported for multi-rack deployments.

Q: Does Azure Local require connectivity to the cloud?

Azure Local is generally deployed as a cloud-connected product. However, it is designed to tolerate periods of disconnection (for example, ISP outage).

Microsoft also offers [Disconnected operations for Azure Local](#), which brings the control plane on-premises should you need to operate permanently disconnected.

Q: Does my data stored on Azure Local get sent to the cloud?

No. Azure Local itself doesn't store customer data in the cloud. Only management data for the resources managed by Azure is stored in the cloud (for example, resource names, billing, usage, and more). Azure Local customers can opt in to additional capabilities and these capabilities can store data in the cloud (such as Azure Backup).

In disconnected operations, the system operates without continuous connectivity. Only registration data is sent during deployment, registration, and license renewal, and the customer controls this data exchange.

Q: What happens if my network connection to the control plane temporarily goes down How long can Azure Local run with the connection down What happens if the 30-day limit is exceeded?

While your connection is down, all host infrastructure and VMs continue to run normally. However, you can't use features that directly rely on cloud services. Information in the Azure portal might also become out-of-date until Azure Local can sync again.

For hyperconverged deployments, at a minimum, Azure Local must sync successfully with Azure once per 30 consecutive days.

If Azure Local doesn't sync with Azure in 30 consecutive days, the cluster's connection status shows Out of policy in the Azure portal and other tools, and the cluster enters a reduced functionality mode. In this mode, the host infrastructure stays up and all current VMs continue to run normally. However, new VMs can't be created until Azure Local can sync again.

Q: Can resources be moved across subscriptions or resource groups for Azure Local?

No. Moving resources between subscriptions and resource groups isn't supported for any Azure Local resources. To change the location of the resources, redeploy the Azure Local instance by using the new subscription and resource group locations and appropriate parameters for the cloud deployment process.

Q: What are the Azure services that I can run on Azure Local?

For an updated list of Azure services that you can connect Azure Local to in hyperconverged, see [Common Azure services used with Azure Local](#).

Q: What does Azure Local charge for?

Azure Local's cloud-style billing model is consistent, familiar, and easy for customers already using Azure or any other cloud service. Billing is based on a flat rate per physical processor core in an Azure Local instance (additional usage charges apply if you use other Azure services).

The pricing model is different from a usage-based or consumption-based billing that's based on the number of VMs. While the number of virtual processor cores (VCPUs) may vary over the course of the month, it doesn't affect the price you pay for Azure Local: you still pay based on the number of physical cores that are present in the system.

Q: How are the number of Azure Local processor cores assessed?

To determine how many cores are present in a system, Azure Local periodically checks the number of physical cores and reports them to Azure. If you're only occasionally connected or your connection is interrupted, don't worry; it can always try again later. Days or weeks of core data can be uploaded at once. Customers must connect to Azure at least once every 30 days to allow for billing.

To manually upload core data to Azure, use the `Sync-AzureStackHCI` cmdlet.
