Sales Commission based on Cash Receipt User Manual

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Prepared by APC Dynamics

Overview

The Sales Commission based on Cash Receipt app for Microsoft Dynamics 365 Business Central streamlines commission tracking and payouts by linking them directly to customer payments. This ensures commissions are only paid when revenue is collected, improving accuracy and aligning sales incentives with cash flow.

Here's what makes it different:

- Flexible Commission Setup - Define commissions by Salesperson or by Item, ideal for businesses that calculate commissions differently depending on products or roles. Calculations are automatically adjusted based on your setup.
- Pay Commissions on Actual Cash Received - Commissions are calculated and paid only when payment is received from the customer, with partial commissions automatically applied for partial payments.
- Comprehensive Document Tracking - Quickly find all documents related to a salesperson's commission for full transparency and easy reference.
- Document-Specific Commission Calculation - Adjust and calculate commissions for specific documents to match special agreements or exceptions.
- Create POs or Invoices from the Commission Page - Streamline workflows by generating purchase orders or invoices directly from the Salesperson Commission page.

Installation & Setup

This app is licensed through Microsoft. To purchase and deploy it in your production environment, follow the instructions in the link below:

[How to purchase and license the app through Microsoft AppSource](#)

Setup

Assign User Permission Set

Assign the **APESALESCOMMISSION** permission set to all users that will be processing commissions.

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Sales Commission Setup

The Sales Commission based on Cash Receipt App is set up per company. When using this app with different companies, you must complete the following instructions in each company.

1) Choose the icon that opens the **Search** feature, enter **"Sales Commission Setup"** and select the related link:

Tell me what you want to do

sales commission setup

Go to Pages and Tasks

> Sales Commission Setup   Administratic

Search for 'sales commission setup'

▣ Search company data

2) Define the setup that you wish to use:

Sales Commission Setup

General

Default Commission Purchase Type	G/L Account	Default Commission Purchase No.	71140

Commissionable Type

G/L Accounts Commissionable	(off)	Resources Commissionable	(off)
Items Commissionable	(on)	Fixed Assets Commissionable	(off)

Calculation Basis

Commission Calculation Basis	Amount

Application Information

Version	v1.1.3.1	Entitlement	
Data Version	v1.1.3.1	Is Entitled	(off)

a. General Group

i. **Default Commission Purchase Type**: Defines the line type of the created purchase document.

ii. **Default Commission Purchase No**.: Defines the No. to use when creating commission purchase invoices.

b. Commissionable Type Group

i. **G/L Accounts Commissio**nable: Defines whether G/L Account sales are commissionable.

ii. **Items Commissionable:** Defines whether Items sales are commissionable.

iii. **Resources Commissionable:** Defines whether Resources sales are commissionable.

iv. **Fixed Assets Commissionable:** Defines whether Fixed Assets sales are commissionable.

c. Calculation Basis Group

i. **Commission Calculation Basis:** Defines how the system will base the commission calculation. Commissions can be calculated by Amount or Profit.

d. Application Information Group

i. **Version:** Displays the current version of the app

ii. **Data Version:** Displays the current version of the app

iii. **Entitlement:** Displays the entitlement the current user is licensed

iv. **Is Entitled:** Displays if the user has a valid license

Salesperson Setup

Assign a **Commission Vendor No.** on the Salesperson/Purchaser Card. When commission invoices are created, it will use the **Commission Vendor No**. value on the Salesperson to create the purchase order/invoice.

You must also define the **Commission %** on the Salesperson card if you want to calculate the commission based on the order.

Item / Resource / G/L Account / Fixed Asset Setup

If your sales commission is based on the sale of items, resources, G/L accounts, or fixed assets, then you will need to define the commission in the respective cards.

User Guide

When payment receipt or credit memos are posted and applied to the sales invoice, this app will link the received or credited amount to the sales invoice and calculate the commission amount. Make sure that you have assigned the **APESALESCOMMISSION** permission sets to the users that will be processing commissions.

Calculate Sales Commissions

1) Choose the icon that opens the **Search** feature, enter **Salesperson Commission Worksheet** and select the related link to bring up the **Salesperson Commission Worksheet**.

2) Select the **Calculate Commission** action, enter the **Payment Start Date** and **Payment End Date** on the request page then select **OK**.

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3) The process will generate new entries with commission amount reference to related payment amount. The explanation of the fields will be detailed in the **Appendix** section.

Commission on Order

If you calculate the commission based on the order, you should edit the following:

1) Salesperson Commission % - The commission % for the order

2) Adjust Order Commission (LCY) – The commission that's calculated based on the cash applied to the invoice and what's commissionable. This is the amount that will be used to create the commission purchase document.

Reports ∨   Automate ∨   Fewer options

Salesperson Commission %	Original Amount (LCY)	Order Commission Basis (LCY)	Application Amount (LCY)	Adjusted Order Commission (LCY)	Co
5	817.47	771.20	817.47	38.56	
5	11,631.80	10,973.40	11,631.80	548.67	
5	172.94	164.70	172.94	8.24	
5	2,420.78	2,305.50	2,420.78	115.28	
5	809.76	771.20	809.76	38.56	
5	206.30	192.80	206.30	9.64	
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Commission on Items

If you calculate the commission based on the line items, you should edit the following:

1) Drill down into the **Adjusted Line Commission (LCY)** to look at the line commissions that are calculated for the order.

Salesperson Commission Detail
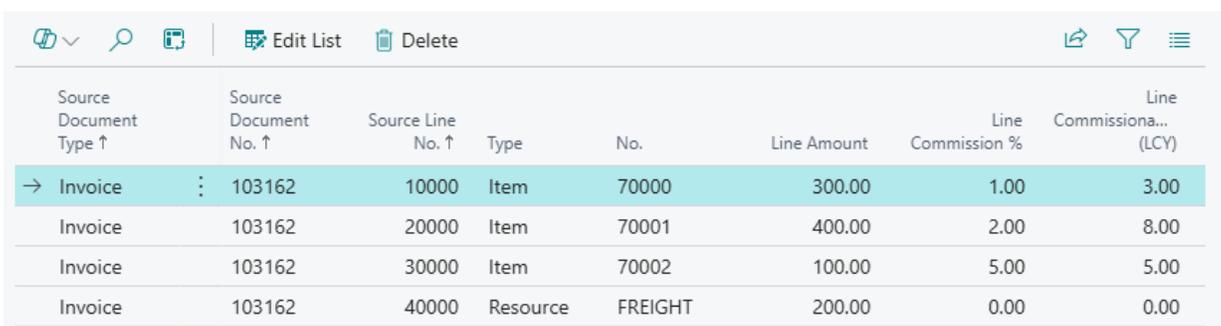
Source Document Type ↑		Source Document No. ↑	Source Line No. ↑	Type	No.	Line Amount	Line Commission %	Line Commissiona... (LCY)
→ Invoice	⋮	103162	10000	Item	70000	300.00	1.00	3.00
Invoice		103162	20000	Item	70001	400.00	2.00	8.00
Invoice		103162	30000	Item	70002	100.00	5.00	5.00
Invoice		103162	40000	Resource	FREIGHT	200.00	0.00	0.00

2) **Line Commission %** - The commission that's associated with the Item, Resource, G/L Account, and Fixed Assets
3) **Adjusted Line Commission (LCY)** – The commission amount that's calculated based on the cash applied to the invoice and what is commissionable on the line. This is the amount that will be used to create the commission purchase document.
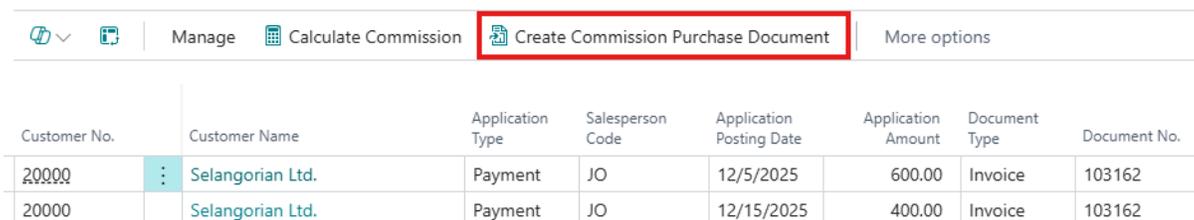
Creating the Commission Purchase Documents

When you are ready to create a commission Purchase document, select the **Create Commission Purchase Documents** action**.**

Salesperson Commission Worksheet

Customer No.		Customer Name	Application Type	Salesperson Code	Application Posting Date	Application Amount	Document Type	Document No.
20000	⋮	Selangorian Ltd.	Payment	JO	12/5/2025	600.00	Invoice	103162
20000		Selangorian Ltd.	Payment	JO	12/15/2025	400.00	Invoice	103162

Select the **Document Type** for the Commission Purchase document and whether commission is paid on the **Order Level** or the **Item Level** on the **Commission On** field.

Convert Commission To Purchase Document

Use default values from	Last used options and filters ∨

Options

Document Type	Order ∨
Commission on	Item Level ∨

Order Level
Item Level

Schedule...   OK   Cancel

Once complete, the following message will appear.

ⓘ Commissions converted to purchase document

OK
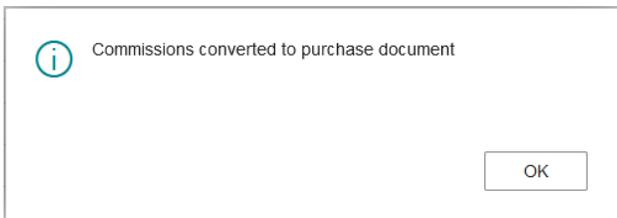
Find Entries

This Action group will show you source documents associated with the commissions.

		Related ∨	Reports ∨	Automate ∨	Fewer options	

Create Commission Purchase Document

📄 Find entries   ›   🔍 Show Document

🔍 Show Application Document

Posting Date	Application %	Salesperson Commission %	Commission Basis (LCY)	A... Am...	...ljusted Line ...ission (LCY
12/1/2025	60.00%	5	480.00	600.00 24.00	9.6(

1) Show Document
   a. This will show records associated with the value in the **Document No**. field. This is the source document on which the commission is calculated from.

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2) Show Application Document
   a. This will show records associated with the A**pplication Document No.** field. This is the application document that is used to apply to the source document. This is typically a payment or a credit memo.

Reports

Reports that print commission information are in the Reports action group:

1) Commission by Order
   a. This report displays the commissions for each order. Typically used if you pay your commission based on the Commission % defined on the salesperson card.
2) Commission by Item
   a. This report displays the commissions for each line item. Typically used if you pay your commission based on the Commission % defined on the item, resource, etc.

Case Example – Commission Calculated on Order

In this example, the sales commission is calculated based on the order.

The commission will be calculated based on the following example:

Invoice Amount = $1,000

Salesperson Commission % = 5%

ItemA = $300

ItemB = $400

ItemC = $100

Freight / Sales Taxes = $200

If the customer pays $600 for this invoice in November, the commission in November will be:

Application Percentage = $600 / $1,000 = 60%

ItemA = $300 * 60% * 5% = $9.00

ItemB = $400 * 60% * 5% = $12.00

ItemC = $100 * 60% * 5% = $3.00

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The total commission for the invoice for November would be $24.00.

If the customer pays the remainder of the invoice in December, the calculation will follow the same format and the commission calculated will be for December based on 40% of the Commissionable %.

The commission calculated will be rounded to the nearest number.

Case Example – Commission Calculated on Item

In this example, the sales commission is calculated based on the individual item commission %.

The commission will be calculated based on the following example:

Invoice Amount = $1,000

ItemA = $300 @ 1% commission

ItemB = $400 @ 2% commission

ItemC = $100 @ 5% commission

Freight / Sales Taxes = $200

If the customer pays $600 for this invoice in November, the commission will be:

Application Percentage = $600 / $1,000 = 60%

ItemA = $300 * 60% * 1% = $1.80

ItemB = $400 * 60% * 2% = $3.60

ItemC = $100 * 60% * 5% = $3.00

The total commission for the invoice for November would be $10.50.

If the customer pays the remainder of the invoice in December, the calculation will follow the same format and the commission calculated will be for December based on 40% of the Commissionable %.

The commission calculated will be rounded to the nearest number.

Appendix – Fields Description

Here are the notable table fields and their purpose within the Salesperson Commission Worksheet table.

Customer No.	The Customer No. on the source document
Application Type	The application type to the source document. This is typically Payment or Credit Memo
Application Document No.	The application document number
Application Posting Date	The posting date of the application document
Application Amount	The amount applied to the source document
Application Currency Code	The currency code that was used to apply to the source document
Salesperson Code	The salesperson code assign on the source document
Document Type	The document type of the source document. Typically an Invoice
Document No.	The source document no.
External Document No.	The external document no. that's assigned on the source document
Posting Date	Posting date of the source document
Due Date	Due date that's defined on the source document
Original Amount	The original amount of the source document
Salesperson Commission %	The salesperson commission % defined on the salesperson card
Currency Code	The currency code on the source document
Application Percentage	What percentage of the source document was applied using the Application Amount. This percent is used to calculate the basis for what is commissionable
Order Commission Basis	This is the basis for which the commission is to be calculated on. The commissionable lines types are defined in the Sales Commission Setup.
Adjusted Order Commission	The calculated order commission. The formula is the **Application Percentage * Order Commission Basis * Salesperson Commission %**
Adjusted Line Commission	The calculated commission based on the commission defined on the lines
Line Commissionable	The total commission calculated if the commission % is defined on the line level
Posted Commission Amount	The commission purchase document that's posted against the source document
Unposted Commission Amount	The commission purchase document that's created as a purchase order/invoice but has not been posted